U.S. DEPARTMENT OF AGRICULTURE

Conversation on THE FOOD STAMP PROGRAM

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Transcript Legend

(sic) - Exactly as said.

(phonetic) - Exact spelling unknown.

- -- Break in Speech Continuity.
- [. . .] indicates halting speech, unfinished

sentence or omission of word[s] when reading.

Quoted material is typed as spoken.

** All speakers' names are phonetic in this particular transcript.

HOSTS PRESENT

MS. SHIRLEY WATKINS

Under Secretary of Food, Nutrition, and Consumer Services, USDA

MR. VIRGIL CONRAD

Administrator, Southeast Regional Office, USDA/FNS

MR. SAMUEL CHAMBERS

Administrator, USDA/FNS

MS. WATKINS: I know that people are still outside signing up because they want to come in and talk to me. And I'm delighted about that. I don't want you to think that we didn't intend to start on time. We did. And I know that you have your schedules and some of you may have to leave. But I do want to give them a chance to kind of get in. So, if you don't mind, we'll wait another minute or two, if that's okay. Is that okay?

(Whereupon, a choir of voices responded.)

Let's get in and get started. As I indicated to you earlier, I'm Shirley Watkins. I'm the under secretary for The Food, Nutrition, and Consumer Services at the Department of Agriculture in Washington. And I want to just thank all of you for being here today. I'm delighted that you're here and delighted to know that so many of you are here because of your concern about the Food Stamp Program and your interest of the program.

Many of you -- And I will say this, and I know you know it better than I do, that the Food Stamp Program is the cornerstone of our nutrition assistance programs in this country. If we're going to provide nutrition assistance and access, and eliminate hunger

in this country, the way the plan and the fathers many, many years ago -- I would like to say and the mothers many, many years ago -- wanted to be sure that people in this country would have access to food and it would be through the Food Stamp Program.

And we want to just make certain that, as we look forward to reauthorization of these programs in 2002, that the USDA and Food and Nutrition Services, the agency responsible for administering the program, has a good idea as to what people around this country are saying about how they would like to see the program enhanced.

We know already that the program is an outstanding program in administering to the needs and eliminating hunger and helping move people to food insecurity, and helping to move people to self-sufficiency in this country. We know that many people who are currently participating in the program actually need the food supplements and the nutrition that they are receiving. We also know that, for many people in this country, it's a short-term fix for them and they're not on it forever, and it's not a lifetime thing that people want.

But it's wonderful to be in a country where

there is concern about people being well nourished and getting the nutrients that they need and making certain that their families are well taken care of.

We try to refocus our position on the Food Stamp Program to ensure that we take it back to the original intent of the Food Stamp Program. And that is to focus squarely on nutrition, that the program is a nutrition program and not a welfare program. As I've said, since I became under secretary, that I don't administer any welfare programs. All of our programs are nutrition assistance programs. And that clearly is what the Food Stamp Program is.

Even though it's a wonderful program, and all wonderful programs can look forward to some improvement, I think it's a work in progress, and we can always make some improvements to the program. And we have that wonderful opportunity for 2002. We want to position the agency so that by the end of this month, at the end of August, we would have heard from people around the country.

We frame these listening sessions in the form of conversations because we want to hear what you have to say that would improve these programs. It's critical that you are very open and honest with us on ways you

would like to see us make a difference in the lives of people around the country.

I hope we have good representation from participants, from people who administer the program at the state and local level, some retailers who will tell us how they feel about the program, and what they see on the faces that come through their lines and any opportunities they see for improvement in the programs.

And I think for us to get all of that information, from seven areas around this country, is going to make a major difference in how we reframe and restructure and refocus our nutrition assistance programs.

One of the things I'd like to do is spend just a few minutes describing the purpose, goals, and some of the next steps. And I'll try to put that in perspective to the program's history and functions. But I did want to do just a brief overview for you, before we start listening to your comments and hearing from all of you today.

The first thing, our program had its beginning as far back as the Depression. And the original intent of the Food Stamp Act was to strengthen the

agricultural economy, achieve a more effective use of food abundances, and to provide for improved levels of nutrition among low-income households. The program we know today began as a pilot program back in 1961 and it was made permanent in 1964. And then the program expanded dramatically in 1974 when Congress required all of the states to make food stamps available to low-income households.

And the Food Stamp Act of 1977 made extensive changes to the program in the program regulations. It tightened eligibility criteria. It tightened up some on administration. It removed the requirements that Food Stamps have to be purchased by recipients.

Since then, the program has grown, reaching an all-time high, of almost 28 million participants in March of 1994. And the current participation level is now around 17 to 18 million per month.

The food stamp households are diverse, and it's a wide-ranging group, representing a broad cross section of the nation's low-income population. We call that the working poor because most of the people on the program are working.

Let me give you a few statistics. Over half the recipients are children and another eight percent are

age 60 or older. The majority of the households do not receive TANF benefits. They receive cash assistance from SSI, Social Security, and state general assistance. Nine percent have no income, at all, they have no income of any kind. Twenty-six percent of the recipients work. And for these households, those earnings are the primary source of the family income. Only ten percent of the working families make enough to put them above the poverty line. And 37 percent are at or below the poverty line. That's for your information. The average food stamp household has only \$118 in countable resources, including vehicles, checking and savings accounts.

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The average food stamp household is small. It's around 2.4. I've never been able to figure out how you can be a 2.4, how you can be a four percent of a person but, you know, if you count it, and statistics, and they say it's all about numbers. And we do sometimes play the numbers game, but I'd say it's about three folks in a house. So somewhere around three people in a house. And if you want to come in half, have a leg here and an arm there so you can do that. However, there are households with children that are relatively large, averaging about 3.3

members. Households with elderly participants are smaller with an average size of, here I go again, 1.3 members. Well, that gives you an idea of what the composition of food stamp households are like.

We recently co-hosted, with HHS, a national nutrition summit in Washington. And among the breakout sessions that we had, we had two that we were responsible for in our agency. And people had a choice of discussing a variety of issues and sometimes more in depth than listening to a variety of speakers. And I'm going to ask you to cut your phones off and cut your beepers off so that they don't interrupt anybody here. That's just me. So if you want to step outside and use your cell phones or whatever, feel free to do so, but we won't listen to them in here. We don't want to hear your conversations. That's just the mean old school teacher that I am.

At the first session we had, during the nutrition summit, it was entitled Faces of Hunger in America. And one of our guests was Sharon Hornberry (phonetic). She was a former WIC recipient and a former Food Stamp recipient. And she had me almost in tears. One of the things that she told us was that these programs did not make her dependant. They

helped her to succeed. Sometimes people forget that. Sharon is now self reliant, self-sufficient, and she is a very confident woman. She is now helping other families to go from the Food Stamp Program to self-sufficiency. I think, as we go through these discussions today, we need to keep her words in mind. We have to make sure that the Food Stamp Program continues to help families succeed.

And we're hoping that the suggestions that you have today, and that you will listen to other people who are going to participate in this conversation today, and that will be the key to how we frame what we're going to do, as we move ahead to 2002.

You should already have some handouts, I hope you picked up at the table when you came in, that will give you some more detailed information about the program. You also may have a copy of the Guiding Principles of the Food Stamp Program.

We have a copy up here of those 7 Guiding
Principles. And we wanted to do that so that we could
somehow get everybody on the same page as to what this
program is all about. And that's why we developed
those 7 Guiding Principles. I wanted to be sure that
I wasn't all alone in thinking what I was thinking

about this program and what it meant, and what it meant to families, what it meant to people. And that's why we have them. And that will kind of help you to focus your conversation here today.

I would hope that, when you take a look at the principles, that you bear in mind that the improved nutritional well being is the ultimate measure of success in the fight to reduce hunger and improve nutrition. This principle is the foundation of the program and the heart of the original intent of why the Food Stamp Program was framed and why this act is what it is today.

And that is the core of why we are here. We wanted to have your participation in the conversation. I hope you didn't come to think that you're just going to listen, because we want to hear your voice and we want to get it on record as to what your concepts are, what you're thinking.

And, as we approach again reauthorization in 2002, it's especially important that we do everything to make the program as strong and as responsive as we can to the families who depend on us. I know that you have lots and lots of suggestions and lots and lots of ideas. And we want to listen to those.

We're going to be in New York next week. Next
Thursday, I'll be in New York. After that, I'll go to
Chicago and Kansas City and Los Angeles and Dallas,
over the next few weeks.

We're here to listen to you. I could tell you I'm from the government and I'm here to listen.

Sometimes I say I'm from the government, I'm here to help. And I just want you to know we truly are. And that's why we are out here. Both President Clinton and Vice President Gore are very, very interested in this issue. They want to know what your concerns are. I was talking with President Clinton one day and he was making some announcements on the Food Stamp Program and I said to him, I really want to simplify the program. And he said to me, we have to eliminate the stigma and you have to work hard on it. So we have a lot of work to do.

We know it's called the Food Stamp Program and for many of you, you don't have stamps anymore. You have an electronic benefit card. I'd be curious to find out if you think it still should be named Food Stamp Program. Should it be called something else?

I'm here to listen to you. We have a wonderful staff here from the southeast regional office. We're

delighted to have Virgil Conrad, who is here with us today, the regional administrator, sitting down on the end. And he's here to listen. And the administrator, Sam Chambers, from our Washington headquarters office, is going to share with you now what we need to do for today's conversation. Sam.

MR. CHAMBERS: Good afternoon, everybody. I join with the under secretary in thanking all of you for taking time out of your busy schedules to spend with us. Today's event is a singularly important one. I have to note that in the 22, almost 23 months that I've been with the agency, and I've traveled around the country representing our agency's interest, with regard to all 15 of our domestic nutrition assistance programs. Certainly, as we talk about the Food Stamp Program, because it's our flagship program, it tends to engender a lot of comment from people about how the program operates, how well it doesn't operate, what needs to be retained, what needs to change.

And this is to repeat what the under secretary said. This is your hour. This is your day. This is your afternoon. You have us as a captive audience to make it clear to us all the things that you want us to know about this program and why and how it's making a

difference and how we can help it make a larger difference in the lives of all of America's needy citizens.

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Today's invent is entitled a conversation. Strategically located around the room are microphones. Those microphones are live. None of them are dummies. They all operate. The only thing that they require is a body in front of them and someone with some comments that they want to make. Please speak as plainly into the microphone as you possibly can for two reasons. One, we not only want to hear but we want all of your colleagues who are sitting here patiently, we want them to also hear what you have to Perhaps what you say will spark another idea in their minds. So please approach the mic, grasp it, speak into it as plainly and loudly as you possibly can.

All comments and today's entire proceeding are being transcribed. There will be a permanent record. It will be available not only to the under secretary but to all of our staff who are responsible for managing the Food Stamp Program.

As Ms. Watkins indicated, this is one of seven visits that she is making around the United States, to

allow as many citizens and interested parties to make whatever comments they have to make. Before or by the end of August, she will have completed the circuit. She will have ridden the entire circuit and completed all of the conversations.

Thereafter, those comments will be accumulated and collected within our national office. Food Stamps staff will receive all of those comments and then we will be working to support the under secretary and deputy under secretary in analyzing all of your comments and helping her to formulate our plan for the Food Stamp Program and the effort that we will have to mount between now and 2002 to seek the reauthorization of this program. So, by the end of the fall, or sometime during the fall, we will have provided, if you will, based on your input and the input of others, those comments and suggestions and recommendations for consideration by the administration, including the under secretary.

So, again, please take advantage of the opportunity that's here today. We heard several individuals say that they had come to observe. We hope you also came to speak and to give us the benefit of whatever your thoughts are today.

For those of you who don't have an opportunity, for whatever reason, to remain long enough to get your comments into the official record, there will be an opportunity for you to prepare and present written comments for our consideration. Those comments will be forwarded to the national office, the Food Stamp office, located in Alexandria, Virginia, and we will have an address where those comments can be sent.

So, unless there's questions for me, with regard to the process for today's proceedings, I'm going to turn the microphone back over to Under Secretary Shirley Watkins. Thank you.

MS. WATKINS: Thank you, Sam. We have a telephone here. One of the things that people asked us to do was to make certain that people could call in. If they could not come into Atlanta, they would be able to call in. So we have a live telephone up here. And they will let me know when a call comes in. We've already had some calls, before we got in the room. So we'll be taking calls, as we move through the afternoon.

This session is going to be from 1:00 until 7:00 this evening and we'll be here. You don't have to stay. You can come and go. I know many of you have

busy schedules. But I will be here, and I will be here to listen, unless for some strange reason people stop talking and they decide to leave.

One of the things that will be helpful for us, if you limit your comments to between two and five minutes so everybody gets a chance to talk.

We're delighted you're here. I'm ready to listen. Do we have people who have signed in already and ready to talk?

Gerald Durden, Fulton County. Is it Geraldine?

It is Gerald. It does say Gerald Durden. I

apologize. When I saw the lady get up I thought -
Okay.

- MR. GERALD DURDEN: Well, in the process of doing Food Stamps on a daily basis, we get a lot of comments about the EBT card.
- MS. WATKINS: Excuse me. You may want to say your name when you walk to the microphone. If you would, just repeat your name, and say where you're from, if you'd like.
- MR. DURDEN: Okay. My name is Gerald Durden.

 I'm from Fulton County Department of Family and

 Children Services. In doing the, working with the

 Food Stamp Program on a daily basis, oftentimes you

1	get comments about the EBT card. I was wondering,
2	what's going on with that? That's my comment. That's
3	my concern.
4	MS. WATKINS: I forgot to tell you that I'm here
5	listening and I'm not going to comment. I wanted to
6	hear your comments though. Are you wanting to know if
7	you're going to get EBT in Fulton County?
8	MR. DURDEN: Well, we have EBT in Fulton County
9	right now. And we get Well, I get phone calls a
10	lot about that.
11	MS. WATKINS: Tell us a little bit more about
12	the kind of comments that you're getting so, for the
13	record, we know what the issue is.
14	MR. DURDEN: People have concerns about how to
15	use them, about
16	MS. CAROLYN PITTMAN: Can I help him out?
17	MR. DURDEN: Yeah, help me out.
18	MS. WATKINS: Go to the mic and then There's
19	one right there.
20	MR. CONRAD: Identify yourself, please.
21	MS. PITTMAN: My name is Carolyn Pittman. I'm
22	with the Georgia Citizens Coalition on Hunger. Also,
23	I'm the chairperson of the Georgia Human Rights Union.

Some of the concerns that members of the Georgia

Human Rights Union has is that just the other day one of the persons went to the grocery store and they said something about the EBT machine was shut down and that it was something with the satellite. I mean, in the line, you had people standing in the store line with babies, you know. And everybody that had --

And I am a former welfare recipient. And I thank God that I, you know, am self-sufficient now.

But I know, if you're standing in the line with your groceries and they say the EBT machine has shut down, what do they do? Do you know what people were doing? They had to leave. And I'm sure that a lot of them had to leave hungry.

So we really, that's one of the biggest issues that we have to look at. What are we going to do about that?

- MS. WATKINS: Okay. Thank you. Was that your concern?
- MR. DURDEN: That, and people tend to have a concern about waiting for the EBT card.
 - MS. PITTMAN: Right.
- MR. DURDEN: They have to wait so long. That's what I really wanted to talk about or to comment on. Expedited services, when you get the benefits on an

expedited way, instead of waiting in the past, say, three days, it's more or less ten days. And that has been a concern. That's what I really wanted to say. Thank you.

MS. WATKINS: Thank you. Okay, the next person I have is Mark Barwick.

MS. ROSALYN NIXON: No, Rosalyn Nixon.

MS. WATKINS: Pardon me?

MS. NIXON: I'm Rosalyn Nixon.

MS. WATKINS: The next person that I have signed up is Mark Barwick. We'll get to you.

MR. MARK BARWICK: Thank you. I'm Mark Barwick.

I'm the southeast regional coordinator for Bread for the World, a nationwide citizens movement against hunger.

A couple of things that we wanted to be sure to lift up in this conversation, particularly the importance of the Food Stamp Program. We're very grateful to have this conversation because the Food Stamp Program has been on the front line of preventing hunger in our country for a number of years now.

And I especially want to look for, of the under secretary and the Clinton administration, for the Hunger Relief Act that's before Congress right now.

It's HR 3192 and Senate Bill 1805 that would strengthen and expand Food Stamp eligibility for a number of important populations, particularly for legal immigrants.

And I guess the biggest comment that we would want to make is just how doable it really is in our country to reverse the trend of hunger. And Food Stamps is certainly such an important part of that.

In our hunger report, from Bread for the World Institute, for 2000, a lot of statistical data is presented to support the idea that, if we would just really fund the Food Stamp Program, we could cut hunger in half in this country, in just a matter of just a few years. So one important first step that could take place this year would be just a real concerted effort by the administration and Congress to pass the Hunger Relief Act.

There are a lot of obstacles that people have, like the cost of the vehicle that they own, or housing costs that really have gotten in the way, as well as citizenship of people who really could use Food Stamps but they are ineligible because of some current laws.

So we'd really like to have your support in speaking with President Clinton, to be more vocal

1	around that in particular. Thank you.
2	MS. WATKINS: Thank you very much. Lauren
3	Smith.
4	MR. SCOTT JOHNSON: Thank you. Lauren is one of
5	our retail representatives here. To sort of set the
6	stage for what they would like to say and how the
7	retailer is affected I'm Scott Johnson with the
8	Food Marketing Institute and wanted to kind of set the
9	stage for what the retailers would say. So if that's
10	fine with you
11	MS. WATKINS: Is she not going to speak?
12	MR. JOHNSON: Yes, she will.
13	MS. WATKINS: Okay, then we'd just like to kind
14	of roll in this order, if that's okay.
15	MR. JOHNSON: Okay. I think what she has to say
16	would be more valuable if you would allow me to speak
17	first.
18	MS. WATKINS: It's going to work out and I think
19	we'll be okay.
20	MR. JOHNSON: Thank you.
21	MS. WATKINS: You're welcome. It's going to
22	work.
23	MS. LAUREN SMITH: I'm Lauren Smith. I'm with
24	the Kroger company. And Mr. Johnson was going to kind

of set the stage for this but --

Basically, we're here to make a comment that we love the EBT program, it's great for business, it's wonderful for the customers. Our concerns are with the processors, system downtime, outages, the length of time it's taking the customers to receive settlements and so forth.

I have had some instances with customers, the system, which EDS experienced a major system outage on June 12. Some of these customers had to wait three weeks to receive their benefit refunds. That was three weeks that these customers had no food, had no groceries, could not feed their families.

A lot of the problems we're seeing is mainly with the EDS gateway. What's happening is we're approving, we're sending out for an approval on a transaction. It's going to EDS, routing to Citibank for an approval. Citibank is approving the transaction, sending it back to EDS. The transaction is going no further. The customer's account is being debited. The merchant is not being paid. The customer is not getting the groceries.

Bottom line, you know, we need to do something to address that issue. You know, we can't have people

on this program needing food and not being able to give it to them. That puts the retailers and the customers in an untenable position.

That's all I had really to say, at this point. Everybody else in the group will add more to that. Thank you.

MS. WATKINS: Thank you. Patricia Hoffman. Let me just explain how this is working. We have a list and I'm just reading off the list where people have signed up. So it's not going to come maybe in the order that you organized it, so just bear with us. You'll have a chance.

MS. PATRICIA HOFFMAN: My name is Patricia

Hoffman. I'm from the Macon County Food Stamp Office
in Tuskegee, Alabama.

My comment has to do with making available one vehicle per working family. I saw a lady yesterday who was turning in a quarterly report form. The only change that she had was she had gotten a newer vehicle. She was \$1,225 over the resource limit. Her comment to me was, I can't eat the car. So, you know, which is a valid concern, because her income had not changed.

MS. WATKINS: Thank you. Janice McDowell.

MS. JANICE MCDOWELL: Hi, I'm Janice McDowell from the Mississippi Department of Human Services.

Hello, Mr. Conrad. We brought you a present, did they tell you?

MR. CONRAD: As long as it's not more than \$20.
MS. MCDOWELL: No, no, no. It's going to cost
you a bundle. It's the MCAP waiver.

We have some concerns that relate to vehicles that's already been addressed. Transportation in Mississippi is always a problem. It's particularly a problem for people who are trying to maintain adequate transportation to go to and from work, to maintain employment. It's a problem for the elderly and disabled who need to go for medical treatment and for the various things that the family needs a vehicle for.

We have also asked for the waiver with the proposed regs that allow the \$1,000 equity or the \$1,500 equity and have begun that in July. This is not a solution. This is a contrived manipulation of the Food Stamp law, and we just simply need to fix the law to increase the value allowed for a vehicle or to allow at least one exemption of a vehicle per family.

We do that in our TANF program and I think most

of the states have taken the flexibility that the TANF block grant allowed us with Welfare Reform to do this. It is working. This is a backdoor approach to getting categorically eligible for Food Stamps.

Again, this is not a fix for the Food Stamp

Program because TANF is time limited. This is not
going to last forever. We really need to deal with
the vehicle problem.

The other issues that we have in Mississippi regarding vehicles relate to people who have a family crisis, who are laid off from work. Their vehicles that they have used to go and come to work are decent vehicles. They may not be brand new but they are way over the 1,000 or \$1,500 equity. And this is just not going to help them.

We hear the comments in our offices, I've worked all my life. I need some help right now to get back on my feet, you know, while I'm disabled or while I'm drawing unemployment and trying to find a new job. I need a way to feed my family. And this is a very valid concern for the people in our state. Probably enough about vehicles.

We are concerned about the low benefits for our elderly and disabled. We frequently hear, and

Mississippi has held some public hearings. One of the first comments that we heard in all of these public hearings throughout the state was what about these \$10 benefits for our elderly and disabled. I'm frankly not sure what our average benefit is for our elderly and disabled but it is quite low, because of their very low income, SSI and Social Security combination. So we are concerned about that.

We have some concerns about our ENT program, the funding constraints that have been imposed on the ENT program since we've been into, since 1996. We have forgotten about our families who need help because of the funding restrictions, the percentage that have to be used on the ABODs. We need to be able to expand that and not have those constraints. We need to have flexibility in the funding for the ENT program and be allowed to provide more supportive services for people who are participating in our program.

I'm still not sure about ABODs, whether that's working or not. You know, most of them tell us it's just not worth it. It causes a lot of confusion in the family. And I'm sure somebody's got a better solution than that for it.

The medical expenses and quality control issues,

there's got to be a better solution for that too for our elderly and disabled.

We talked a lot, several years ago, about conformity between the programs, between TANF and Food Stamps. Every time we got one program to move towards the other one, the other one moved away. And now that we've gotten some flexibility with our TANF program, Mississippi found it easier to move TANF toward some of the Food Stamp rules than to try to move Food Stamps. So we have been able to do some of that internally.

I would hope that the federal programs, even though we are administered under different funding divisions, departments, that we do look at the interrelatedness of these programs and understand how one program affects the other. This is a very vital point because we can penalize Food Stamp folks for TANF violations and all of this. So we need to look at the conformity of these programs and be sure that we are making it as simple as possible so that the families, as well as our staff, can understand and apply the rules uniformly, correctly.

MS. WATKINS: Thank you. Ann Joseph.

MS. ANN JOSEPH: I'm not going to speak now.

MS. WATKINS: Okay. Doug McIntosh.

MR. DOUG MCINTOSH: I'm Doug McIntosh from the Georgia State Agency. Everything I prepared to say, Mississippi kind of stole my thunder. I would like to echo the same comment, as the state administrator.

The program has become extremely difficult and complicated for us to administer. Caseworkers have a difficult time understanding the regulations. I think for all of the issues that Mississippi mentioned, certainly the ENT program, certainly vehicles, certainly the benefits for the elderly, these, I think, are all issues that are contributing to driving people away from the program, which I think is something that we're certainly concerned about. We're not serving those people that perhaps need the assistance because of some of these complicated rules.

So, as the state administrator, I simply wanted to echo those same comments and try to reinforce them.

MS. WATKINS: Mr. McIntosh, you may want to submit your comments as written comments.

MR. MCINTOSH: Surely.

MS. WATKINS: The more of the same that we have, the better off we are, as we start looking at all this stuff.

MR. MCINTOSH: Surely. We'll be glad to.

MS. WATKINS: If you feel that you are duplicating what someone has already said, if you want, just make certain that you submit some written comments.

MR. MCINTOSH: I certainly will.

MS. WATKINS: Thank you. Eleanor Thompson.

MS. ELEANOR THOMPSON: Hi, I'm Eleanor Thompson.

I'm with America's Second Harvest.

As you probably know, America's Second Harvest is the nation's largest domestic hunger relief organization. We have over 200 affiliated food banks and food rescue agencies which do a great job in helping hungry people. There are a number of things that I'd just like to touch upon real quickly.

As Food Stamp usage has dropped, our food banks have seen a huge increase in demand. So there obviously are many hungry people out there, probably a number of whom find the Food Stamp Program to be perhaps too onerous to utilize.

In addition to supporting some more, I wouldn't call them minor, but some more incremental steps towards improving the Food Stamp Program, we do support, like Bread for the World, the Hunger Relief

Act, the provisions that are included in that. We also support the Fork Act, which is currently before the Congress. And we also support some more broader changes to the program.

You had asked, in your opening statements, whether or not people thought that the name of the program needed to be changed. That's something that we certainly would support because we think that there is a real stigma for many people with the Food Stamp Program.

We also support increasing the minimum income level from 130 percent of the poverty level to at least 150 percent.

We also support increasing the asset level to \$5,000 per household and changing the program calculation to use the moderate food plan, rather than the thrifty food plan.

Other provisions that America's Second Harvest strongly supports are increasing the minimum allotment from \$10 to at least \$20 per month.

We also do support exempting one vehicle per Food Stamp household and increasing the Food Stamp shelter deduction cap.

One other thing that we have seen as a problem,

has appeared to be a problem for a number of the states, has been the tying of error rates to whether or not a Food Stamp Program in a particular state is doing well. Illinois, for example, has a pretty good Food Stamp Program but finds that their error rates may be above the average. And we would encourage you to look at other ways of tying the success of a state's program to something other than error rates, which we think oftentimes penalize states unfairly.

Finally, just to improve access and to simplify the program, we do support reducing the application length and the process, utilizing a standard deduction to decrease verification requirements.

And we also support reinstating legal immigrants to eligibility for the Food Stamp Program. Thank you very much.

MS. WATKINS: Thank you. Scott Baker.

MR. SCOTT BAKER: My name is Scott Baker with the Kroger company, here in Atlanta, Georgia. I'll echo some of the comments that have been made previous about the failure of the current system to deliver on a consistent basis.

The needs of the Food Stamp recipients, particularly serviced by the Southern Alliance of

States, just a week ago the system experienced a major outage that caused us not to be able to deliver on a timely basis the benefits that the people need. It is becoming more and more frustrating to us and to the recipients too, on a monthly basis. We've gone three of the past four months, we've had outages at the key times. And, as Lauren stated earlier, these outages can vary, as far as the dramatic effects on the recipients of the program.

And we're here as a group to really plead for all of us to make some improvements in the system.

It's a company we don't deal with directly and it's extremely frustrating on our part to bring corrections and improvements to the system that must happen because we can't tolerate, no one can tolerate.

We've talked all the statistics given, the people that come in that need the food, when the cards are loaded at the first of the month, they can't wait two to three weeks because administrative processes have broken down. They need their food immediately. It's just becoming a bigger and bigger issue for us. Thank you.

MS. WATKINS: Mr. Baker, would you give me the outage dates again. Was that the week of July 4?

MR. BAKER: We had an outage last Thursday that
was major.

MS. WATKINS: Which was what date? I'm just looking for a date.

MR. BAKER: The $6^{\rm th}$. And then again on the $7^{\rm th}$ there was also a major outage. The $6^{\rm th}$ was extreme. The $7^{\rm th}$ was about an hour and a half.

MS. WATKINS: Okay, thank you. Willette Foster.

MS. WILLETTE FOSTER: My name is Willette Foster and I'm a recipient. I'm a consumer.

May 23rd of this year I went in to be recertified at a satellite office where I live. I'm from Macon, Georgia. That's Bibb County. When I went in to have my interview, I was greeted by a Ms. Stevens who was my caseworker, along with two police officers. She told me that they would be there to sit in on my interview. The interview did not take place. I left the office. For one I was ashamed. Two, I was confused. Three, I was feeling indignant because I hadn't done anything to her.

I went home and I called down to the downtown office on Ogelthorpe Street to try to speak with a Ms. Ormand (phonetic), who is the director, to no avail. I called No. 2 Peachtree Street and I spoke with a Ms.

Stewart and a Ms. Brantley. Still, no answer. So, finally, I called Georgia Legal Services.

And I could not be recertified until I had a meeting with the assistant director whose name is Ms. Blue (phonetic). Once I got there and we talked, she told me that a supervisor from the main office would be my caseworker and within two days I did, I was recertified and I did receive the allotted amount on the date.

But my concern is, one, going into that office and being threatened and intimidated the way that I was. All this stemmed from me calling No. 2 Peachtree Street and writing Senator Coverdell.

- MS. WATKINS: Thank you. Scott Johnson. Now you get a chance to speak. It's okay.
- MR. SCOTT JOHNSON: Thank you. Forgive me for trying to get up out of order earlier.
 - MS. WATKINS: That's okay. It's all a family.
- MR. JOHNSON: That's right. I'm Scott Johnson, director of southeast operations. I run the Atlanta office here for the Food Marketing Institute. We're the trade association for the retail food industry.

The Food Stamp Program has been a good partnership between retailers, recipients, the

government for over 35 years now, as you're well aware. In the information age, certainly the move from paper Food Stamps to EBT, Electronic Benefits Transfer, was a natural progression. And we've enjoyed being a part of that. In fact, FMI has worked on the EBT program since it was a concept, actually since 1979 when the first talk began. And, Virgil, you were there for all of it. It's been a long process and we all experienced a lot of birth pains along the way.

And we've enjoyed a lot of success along the way too. And we're grateful for that. We enjoyed success because we remained partners. We remained partners that were always looking for ways to make it work and make it work better.

In much of the country, individual states have
hired Citibank Corporation as
the primary processor of those
benefits. And some of the
experience from that has been
okay and some of it has been
rocky. Lately there have been
more rocks. The biggest
problems, downtime or system

outages that the retailers have experienced, which causes recipients not to be able to receive their benefits.

FMI, in November of 1999, we did something called the in-store systems study. Retailers reported to us in November of 1999, more than half of them reported failures of the EBT system due to computer problems, at least once a month. Thirty-eight percent, once or twice a month. Seven percent, once or twice a week. And nine percent three or more times a week.

Those are beginning to look like the good old days to us because, since that has happened, Citibank has hired a different partner, not Deluxe, who they had in the past, but EDS, who is their current partner, to process the benefits for EBT. They made that decision last year. They wanted to do it in November. We protested because those are the holidays for us and we said any problems that would occur would have serious impact on our business. They said, don't worry about problems. But they did wait until 2000 to do that. Well, we are so glad we didn't allow it or we protested during the holidays because the problems

have been many. They've multiplied, as a matter of fact, since EDS took over the processing as a partner for Citibank.

The biggest problem is what's already been talked about here today has been large-scale excessive downtime periods where the retailers lose sales and recipients go hungry. For example, as Mr. Baker said, June 12th and 13th, July 6th and 7th. Those are just recent big examples. There are smaller examples that I could site, you know, many, many dates but those are big problems.

Our retail stores experienced massive outages. June $12^{\rm th}$ and $13^{\rm th}$ was 25 states and Washington, D. C., your home. July $6^{\rm th}$ and $7^{\rm th}$, a national retailer has reported to us that it was 31 states that they had problems processing benefits on July $6^{\rm th}$ and $7^{\rm th}$.

The most serious of that is something called, the technical term is timeout reversal. Now what that means is simply the transaction at the check lane gets declined and the retailer loses the sales, of course, but the recipient, the benefits are no longer there for them to be used immediately. And it can be weeks before those benefits are restored to the recipient's card. From what I understand, there are many people

who can't go weeks without eating.

I have here a letter that we just sent to you earlier this week from Tim Hammonds (phonetic) who is our president and CEO of the Food Marketing Institute. It has not only a description of the problem but some people from here in the Atlanta area. Now this is nine people whose names and phone numbers are here, that represent thousands, that had this problem, this is from the June outage. We could pick up that phone and call them and they'd verify that.

But what we are here today to say is recipients need their food. Retailers don't like to lose sales and we don't like to have to put back dozens, 20, 30, 40, 50 carts of food that people leave because they have to walk out without their benefits.

There are other problems at retail, some of them will be described from the other people who are going to speak, as far as retail is concerned.

We appreciate you being here. We appreciate you listening. And we appreciate you helping solve these problems. I'd like to give you this letter from Mr. Hammonds.

MS. WATKINS: Thank you so much. Bob McGeehee.

MR. BOB MCGEEHEE: Very good. I don't get that

very often. I appreciate that. You did well, thank you. My name is Bob McGeehee. I'm with Super Value. We represent independent stores scattered throughout the southeast, approximately 600 stores scattered throughout Florida, Georgia, Alabama, Mississippi, and Louisiana.

Our stores are, a big chunk of them are in the rural areas. A lot of times we're the only game in town, we're the only store that's available to them in that town. So when these outages occur, they have no place else to go. I mean, they're stuck. They're in that line. And you mentioned stigma. I mean, the card is a huge step. The Electronic Benefits Transfer card is a huge step to removing that stigma. But when these outages occur, it's right back where it was.

And the stated goal of the 99 percent uptime sounds good, but that's three and a half days a year. That's about four minutes out of every day that the system is down. Now that's huge. And it's been a whole lot worse than a 99 percent uptime in the last few months.

In my position, I see all of the up and down times not only from the EBT network but from all the other credit card companies and the debit card

companies. And for a debit card company to be having less than a 90 percent approval rating, rockets go off, planets collide, people jump through hoops to make things right. Anything above 80 percent at EBT is considered wonderful.

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It's not a level playing field and the recipients are paying the price because they get there and they're stuck. They have no place else to go.

One other point I'd like to make is that one of the processes that happens is when they put in their PIN number, everybody is familiar with a PIN number. On the EBT card, they get three shots to get that right. Because of some of the system problems, if they send their card through and they get an error back saying that the PIN number is wrong, even though they entered it correctly, they'll do it again. if the system problem is still there, they'll get that same error back so they've got one more time that they can access that number in that day. And those people get very nervous and very traumatized because they know they've got one more shot left until midnight of that day to make that transaction work. And I would highly recommend removing that piece or that safeguard that allows the PIN number or allows the card to

become deactivated until midnight of that day when they have had more than three errors on their PIN number.

In general, I'd just like to, again, thank everybody for being here today and just we want to remove that stigma that President Clinton mentioned. Some of these stigmas are not only for the recipients but for the stores because they're perceived as not delivering the services as expected. Thank you.

MS. WATKINS: Thank you. Now I don't know if I'm going to do as well so forgive me. Cathy Cozava (phonetic). I tried.

MS. CATHY COZAVA: If you got that one right, I would have been really impressed. Madam Under Secretary, we thank you for the opportunity to be here to talk to you today. My name is Cathy Cozava and I'm the president of the Georgia Food Industry Association. We represent retailers and wholesalers across the state of Georgia. We have the largest chain stores, as well as the independents, the mom and pop stores across the state.

I wanted to piggyback also on something Bob

McGeehee said and that President Clinton said, as far
as eliminating the stigma. One thing that I want to

make sure that you understand, not only when the system goes down is the problem with the recipients, but the people behind them in line are so frustrated that now, rather than just watching someone use their Food Stamps, all of a sudden you have customers that are angry at people who have this card because they're holding up the line. So the poor recipient is in line with no fault of their own holding up the line because the system goes down.

As I say that, I want to let you know we think
EBT is wonderful. We truly, truly do. I have served
on the state EBT task force, as well as the national
EBT task force in putting together SAS. I worked on
it for years and years. Some of the people in the
room I've known for many years. I've worked with
Virgil Conrad. We have a wonderful working
relationship. I cannot tell you how much these people
want EBT to work. By God, they call all the time. As
soon as something is wrong, I know it immediately.
And they feel horrible. They want it to work.

My problem is, and this is what I -- I know you can't answer the question but this is what I would love to take back. Who is ultimately responsible to make EBT work? When a retailer has a problem, when a

recipient has a problem, they'll call the store, they'll call the state, they'll call my office. When I call the state, my God, they want this thing to work. The contract that the retailer has is with the state government. The state cannot, they don't know how, nor do I, how to push a button to make this thing work right. So, ultimately, I am asking for the federal government to take a bigger role in making sure and putting pressure on the processor to make sure this thing is up.

I understand now when different states go to an EBT program there are fewer and fewer processors that are even interested in bidding on the EBT program. I think that needs to be answered, why is that. And if it becomes that there are just one or two, probably one company that is going to be interested in actually bidding on this, you've got a monopoly and we're stuck. And I would just like you to think about if there was one grocery store in the state -- Now somebody here might like that, depending on who you ask, but I guarantee you the rest of this place would not. And you would get the food that they carried. You would get the prices that they set. You'd get everything. And that makes me nervous.

So I'd like you to look at why do we only have one company typically bidding and who can we ultimately hold responsible. That's what we, as retailers, and the recipients I know would like to know.

When EBT works, there's nothing better. When EBT doesn't, it is a horror. Thank you so much.

MS. WATKINS: Thank you. Tony Fitzpatrick.

MR. TONY FITZPATRICK: How are you doing? I'm

Tony Fitzpatrick, corporate director for Wayfield

Foods. Cathy kind of stole some of my thunder about

one of the points that I was going to address. Let me

kind of give you a little background about my company.

We are predominantly in the inner city urban areas. The company was started in 1982 and then, when some of the larger chains moved out, we moved in.

We're an independent operator. We have 11 stores.

The reduction in the Food Stamp Program has already caused a major impact on our business. Now it's even more impacted by this EBT system.

One out of every four of our customers during the peak Food Stamp period is an EBT or Food Stamp recipient. Now imagine a busy Saturday afternoon, it's 3 o'clock, peak business, boom, it shuts down.

One out of four of our customers is a Food Stamp recipient.

What we're facing here is one of the points.

And I read your 7 Guiding Principles. Administrative simplicity is not happening. It's not happening.

And for lack of a better term, it's fastly becoming a discriminatory situation. Cathy pointed out, those people in line, they see that Food Stamp recipient holding up the line and it gets downright ugly sometimes on a Saturday afternoon. And all they see is that person holding up the line.

The second part of that equation is they see, well, they're at Wayfield Foods. It damages our reputation also because they associate that downtime with being at Wayfield Foods. We can tell them until we're blue in the face that it's happening all across the country. They're not buying it. It's happening at Wayfield Foods and they feel as though, if they go down the street, then it will be a better situation. So, God forbid, they go down the street, the system comes back up, and we have a problem, oh, it was Wayfield Foods. It really can be a really heart wrenching situation for us.

It's not just a Wayfield Foods problem.

Obviously, as has been expressed early today, it's a situation that we need your help with. I was with Cathy in Washington a month or so ago and we pleaded to Senator Cleland and we pleaded to Congresswoman McKinney to employ pressure on these situations to try to help this get better. And now I'm pleading to you.

We need your assistance in trying to make this a better situation. Thank you.

MS. WATKINS: Thank you. Cynthia Lawrence. (Whereupon, there was no response.)

If Cynthia comes back and wants to speak later on, if someone would let me know.

Sandra Robertson.

MS. SANDRA ROBERTSON: Hi, everybody. I'm

Sandra Robertson. I'm the director of the Georgia

Citizens Coalition on Hunger. And I too thank you for the opportunity to have a conversation about the Food Stamp Program.

I myself am a former WIC mother, and so I have great appreciation for all your food and nutrition programs. And certainly the Food Stamp Program is one that has one of the greatest impacts on providing nutritional benefits to our populations.

Many of the comments that have already been made

would be similar comments that we would make but I'm going to reiterate those that I'd like to really emphasize for you to really pay attention to.

The increase in the value of a vehicle or a waiver for the vehicle is critical. In this modern world, it is almost unheard of for you to be able to function appropriately without a vehicle. Even if you live in the city, if you are going to find viable employment that pays you a decent wage, you're almost required to go outside of the city to do that. And public transportation, in most of our cities, in the state of Georgia, do not exist for the vast majority of our state. And so a vehicle is an absolute necessity of life.

And to place this burden on recipients of Food Stamps that they can only have a vehicle that virtually is ragged and torn up and not functioning because of the requirements, a vehicle that is under \$10,000 is really almost always a vehicle with lots of problems. And so we suggest that there be a waiver on that.

The low benefits of the elderly would be another consideration that I'd ask for you to look at.

The cost of living, as it relates to what a

dollar can buy, there needs to be a real serious look at what percentage of a food budget can the Food Stamp Program provide for those citizens that have a need so that there is a degree of food security in this country, so that we can truly have a situation where we eliminate hunger in the United States. I believe that that can be, if we have the will to make that happen. And so we suggest that there be a look at the actual value of the Food Stamp dollar, in terms of the necessity of life for purchasing food.

We too are in support of the Hunger Relief Act.
We also would support the moderate food plan, as
opposed to the thrifty food plan. We also increase --

We'd also support the utilization of a standard deduction to eliminate -- We have so many cases. I mentioned that I'm the director of the Georgia Citizens Coalition on Hunger. I'm also a member of SERAHN, the Southeastern Anti Hunger Network.

I know in our state and in the states that are a part of the southeast that deal with hunger issues, we are continually having complaints about the recertification process and having to bring information in to Food Stamp offices, and having that information lost, and having to go through the process

over and over again. It's critical for many of the persons that are seeking assistance, particularly those in rural areas where transportation to and from those offices is guite difficult.

We also, we were one of the groups that were called the naysayer when we talked about the EBT program because we had real concerns about a lot of things regarding that process. One was the privatization of a public program and putting a major chunk of money in corporate hands to operate a human service program, because the profit motive just doesn't work in that arena the way it should work. And I still have questions about that. The cost incurred versus the services rendered is truly something we need to look at, as it relates to the operation of that program.

Aside from all the other complaints and concerns that have been raised here, I would raise the concern as to whether or not we need to have that in corporate hands and whether or not that is a function of the public domain and whether we should keep it in the public domain so that there can be accountability and so that there can be the kind of services rendered for the maximum dollar spent.

I think those are the major issues, but I also want to share with you some of the kinds of cases, and I'm just going to give you one or two, that we get from many of the clients that come in for our services.

We happen to operate a small pantry, serving some 500 to 600 people a month who come into our office looking for emergency assistance. Sometimes they are recipients of Food Stamps and their Food Stamp dollar doesn't get them through the month.

Oftentimes, they are coming in because they have lost their Food Stamps or they've been indiscriminately removed from the Food Stamp rolls. And when we inquire as to why they have been removed, many times they don't have or have not been told a good reason, from our perspective. They were told that they received a notification for recertification and many times they say they haven't received a written notice. Now I know that that can be an issue, but there needs to be some way that the client can have some degree of protection from a caseworker that says they sent a notice and, in fact, they didn't send a notice.

And we had a case just recently that came to our

office that I wanted Ms. Ellie Jones to tell us about but she's a little shy. That case that a client had come in to the Food Stamp office, was expecting to receive her benefits, was told that her case had been When asked why she was told that she missed a closed. recertification appointment. She said she had not received a letter for recertification but her Stamps were still terminated. In the process, she was referred to a legal services attorney. They requested to look at her file, discovered that there was no recertification notice in her file that would indicate that she had been mailed a recertification, and so the process now is that she has been found innocent of the charges against her. She has been reinstated but she has had more than a 30-day delay in getting those benefits recouped back to her that was inconveniently taken from her.

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These situations are common. They are not rare.

And I would just hope that we would take a look at
that process of the recertification process.

One last comment I want to make, before I sit down, is the attitude. I don't know what you can do about that, but there is an attitude problem. We get time and time again, and if it was just a few cases

every now and then, I think we would be less inclined to be so concerned, but we continually get cases from clients saying along the lines that -- The testimony given, that was pretty extreme with police officers waiting for her, but that kind of indignation generated from -- Clients are being intimidated.

They're being talked to in less than respectful ways.

They're being discouraged from applying. We get numbers of people saying they're going into the Food Stamp office asking for applications, asking for an opportunity to apply, and they're being sent on around the mulberry bush, instead of given the opportunity to take care of their needs.

And so we ask that somehow or another that is monitored more closely by a regional office or by some of our offices to ensure that the kind of approach that we're using to administer human services in our states is respectful and is considerate and is doing what -- and the people that are providing the services are doing what they're supposed to do to ensure that people's needs are being met.

And I want to thank you again for this opportunity to speak to you.

MS. WATKINS: Thank you. Sabrina Thomas.

MS. SABRINA THOMAS: Good afternoon. I'm here speaking from a caseworker perspective. I have one big concern, as far as with a lot of people, as far as the elderly. I feel that they don't get the adequate benefits that they need because of their limited income like Social Security or SSI.

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I have a comment to make about the comments that were just made. I feel that I'm sure she was just talking about a particular office or whatever, but in the offices that I've worked in, which has been two DFACS offices, for the most part, we've never had those problems, as far as lost information. I'm sure stuff gets lost, as well as information that's said that was turned in that really wasn't turned in.

But anyway, from a caseworker's perspective, the caseworkers that I've dealt with in the offices that I've been in, everybody serves the clients to the best of their abilities.

And it's a two-way street. We have a responsibility to the clients and the clients have a responsibility to us.

That's all I have to say.

MS. WATKINS: Thank you. Wilbert Morris.

MR. WILBERT MORRIS: My name is Wilbert Morris.

I'm the program director for the state of North Carolina and the president of the \$6 Million Club in the southeast region. I want to thank you for the opportunity to come and have input around the future of what I consider to be the country's chief food assistance program.

During much of the Welfare Reform debate in '95 and '96, we heard repeatedly that the Food Stamp Program must remain as a safety net for the working poor and families who would be transitioning off the TANF cash assistance program to employment. Many embraced that philosophy and still advocate that it is, in fact, a safety net program.

But, as Welfare Reform was implemented, we find ourselves wondering whether or not the size of the holes in the net perhaps might be too large and that families are, in fact, slipping through inappropriately. Although we're not here today to debate the Welfare Reform initiative, I see this as an opportunity though to look at where we are and where we hope to be in the future with the Food Stamp Program.

One area that does cause some concern is the allotment determination process for the program. It

has changed little since the redesign and the advent of the Food Stamp Act of 1977. I think it can best be described as a complex budgeting and calculation process. I think the program reauthorization provides an excellent opportunity to assess whether such procedures and processes are necessary to reach the desired effect.

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Perhaps a more reasonable approach is to base allotments on a process that requires totaling gross income and subtracting a set percentage of the household earned income from that total. Step three of that process would require that we multiply the results by a percentage that is set at a level that reflects the amount of gross income that is reasonably expected to be spent on food by a limited income household. The final step in the process would involve tracking the results of the latter step from the food plan amount. This approach is based on a premise that food, like housing, is a basic element of life. The benefits determination process would be vastly simplified, thereby freeing staff time such that more time can be devoted to service delivery to vulnerable households.

We've heard quite a bit this afternoon about

elderly citizens. We're constantly hearing of situations where many are choosing not to participate in the Food Stamp Program because of the limited benefit that is being received. Perhaps consideration should be given to waiving income for elderly households. There are income disregards for working households but elderly citizens don't benefit from such consideration. And we'd also like to advocate that consideration be given to providing all elderly participants with standard medical deductions.

I would also like to just mention briefly the employment and training aspect of the program. The focus of the work requirements of the Food Stamp Program should be changed from one of emphasizing work registration to one that stresses work activities. Able bodied adults must continue to be the focus of this effort, however. But I think a redesigned program would encourage work, provide healthy able bodied adults to get and keep a job. Require work activities and target work activities to certain individuals, those being the 16 through 59-year-olds. And these would be those that would be most considered able bodied.

And the program might also be available to those

who would be willing to volunteer that might be outside the target population.

The program could and should continue to provide appropriate exemptions, such as for individuals with a child under age one or the absence of reasonable childcare, individuals who might still be in school or working on GED requirements. Participants meeting appropriate ENT requirements should be given credit for participating in paid employment, vocational training, post secondary education, job search, on the job training, and so forth.

As has previously been noted by a number of speakers, the Food Stamp Program, if it is to be a safety net for the limited-income households, should be simplified and coordinated with other benefit programs. Many families leaving TANF for employment are finding that their Food Stamp benefits are also ending because of the vast differences in which resources are viewed by the various programs. In TANF programs they tend to be more liberal, while in the Food Stamp Program with limits of 2,000 and 3,000 are much more conservative and impacting participation.

The state of North Carolina and Mississippi and other states that you'll find in the southeast do have

specific problems related to transportation and the ability to get and keep jobs without adequate transportation. As we find in our state, we are wedded to our vehicles, not necessarily out of choice, but because we have no other alternatives. It's necessary in order to obtain and maintain employment. Particularly as our households transition off welfare, they're finding that, in order to keep a job, they must be able to get to the job. So there may be opportunities to purchase vehicles that may be in excess of the allowable limits.

The current vehicle limit often force families to make critical choices and they should not have to make those kinds of choices. The impending reauthorization clearly provides an opportunity to reexamine the vehicle policy and hopefully to implement changes that will allow each participating household the opportunity to exclude a reliable vehicle. And that would be regardless of value. At minimum, we think that there should be a return to the indexing scale such that the allowable limits will keep pace with the vehicle cost, as we move forward into this millennium.

Just a couple of comments about the Electronic

Benefits Transfer program. I think we all agree that EBT is a major change in how we operate and none of us would advocate going, hopefully none of us, will advocate going back to the coupon system. But I think that being from the state of North Carolina, and if you notice the fall of the year, we are like the bull's-eye for hurricanes that move up the east coast. We believe and we have suggested that the federal administration of the Disaster EBT Program should be administered by USDA, rather than by individual states. We will continue to support and advocate for this. And our belief is that USDA should negotiate with vendors in advance and obtain and provide preloaded benefit cards to disaster victims, once decisions are made to implement disaster programs. States, of course, would continue to have responsibility for operating the regular Food Stamp Program EBT systems.

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In addition, we believe that some consideration must be given to more direct involvement by USDA in contract negotiations for EBT services. State experiences over the past years, I think certainly provide perfect examples of what can happen when states are left to fend for themselves in an area with

limited options.

At the southeast region's \$6 Million Club
Conference in Savannah this past month, I had the
opportunity to participate in two town hall sessions.
And I was encouraged by the broad based concern
expressed for the future of the program by line
workers, supervisors, and program managers. They
spoke very earnestly and with concern for how the
elderly are being treated and how disabled individuals
are being affected by program rules. They were also
concerned for the struggling single parents who are
trying to remain self-sufficient.

To some extent, I think we all represent the future of the Food Stamp Program. And I think we have an opportunity to make it a bright future. Thank you very much.

MS. WATKINS: Thank you. Wayne Moore.

MR. WAYNE MOORE: Good afternoon. My name is and I'm at the University of Tennessee Knoxville.

Probably the first thing I wanted to comment on was the changeover from the Food Stamps to the EBT card. We at the university had the responsibility of providing DHR with the educational component, the training component in that transition. Probably one

of the things that stood out the most was the fact that the elderly, those persons who only receive \$10 a month, we got back from an evaluation several comments about the fact that they did not want to go through this big difficult problem switching over from the Food Stamps to the EBT when I'm only receiving \$10 a month. So rather than go through that change, they opted out of the program. So we do not know exactly how many people have actually opted out of EBT, how many of the elderly, how many of them are still at poverty level because they're no longer receiving benefits.

I believe that America's Second Harvest is doing a tremendous job, along with other donor organizations, to alleviate poverty. But the question that we can ask ourselves is what are we doing about self-sufficiency? Because we can alleviate poverty but we may not necessarily bring about self-sufficiency. We are only creating more dependancy. And, therefore, I think it's important for us to look at factors that will help in developing self-sufficiency and looking at it from a more holistic perspective, not only getting food, but self-sufficiency in the way of being able to get a job and

retain a job and know that I'm becoming more aware of what I'm doing for myself.

And, therefore, when we think of cars, we need to think of assets, we have to recognize that self-sufficiency includes not having a sort of a rundown car that breaks down on the way to work. Someone who wants to be self-sufficient has to be able to have enough to survive but has to have an efficiently running car to get to work.

And also has to have and be trained and learn and recognize the benefit of building up a savings account, recognizing the benefits of building up savings from very early so that they will be able to even have a respectable retirement.

So, therefore, like the others, I will echo the fact that it is important to either wipe away or increase substantially those limitations on car values and assets.

Also, as we think of self-sufficiency, I think it's important to obviously link poverty and the alleviation of poverty with nutrition and with nutrition education. And I believe that in that regard we not only need to develop effective programs, and certainly we do have effective programs, and

effective training methods for nutrition programs to help in the purchasing of proper foods, but we also need to recognize that there are some people, regardless of the training they receive, regardless of the direction they hear, in terms of nutrition, that are not necessarily motivated to address that fact. How many of us handle our money exactly how we should, although we know how we should?

And, therefore, I believe that it's important to look at research that will address this issue. And I know that the University of Chicago and Northwestern University have a joint center for poverty research. And they're actually having a conference coming up next month looking at non cognitive skills in adult educational attainment. And, basically, they're looking at what triggers people to be motivated to do things, to be motivated to get a better job, to be motivated to eat better.

And I think that these are areas that can be incorporated in the new -- I hate to say the word Food Stamp -- but the new Food Stamp initiative. And I know that it will have a different name by that time.

So focusing on not only nutrition but looking at the individual as a holistic person, a person who

wants to have self-sufficiency, not only in food but in their entire being in their entire family. And, therefore, looking at what factors can motivate those folks who still are attending these classes to help them be better in terms of selecting food but yet not making the decisions themselves to do so. And I think that would be an important area to focus on.

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As we think of the rural communities, I believe that maybe even in some urban locations people are left out of the EBT system simply because, well, can I go to that nice store which sells fresh produce, which sells fresh food, vegetables and those things that come ripe from the field. Maybe not because the grocery store doesn't have the EBT, they don't have that system that you can call and maybe use the alternate from the EBT. And, therefore, these rural people who are already poor are unable to eat nutritious food because they may not have access to the food that's so close to them because they have the Food Stamp, they have the EBT card, but those people who are going to sell them are not in the system. I think that's another area that we can pay some attention to. Thank you.

MS. WATKINS: Thank you. We have a caller on

the line. Let me see if I know how to do this. Did I lose the caller?

MR. CONRAD: Now try it. Go ahead and speak to them.

MS. WATKINS: Hello. Do you want to go ahead and tell us -- This is Shirley Watkins from USDA and we're glad you're calling in.

CALLER: My name is Mike Lee and I'm from Green County, Alabama. I'm the Food Stamp supervisor here.

And I'd like to see child support be a mandatory requirement. And we need to do away with the voter registration and head of household forms.

We need to do something about the vehicles. I kind of feel like one vehicle should be excluded, regardless of its use, the same way as we do for TANF right now.

Do away with separate households, increase the allotment for elderly. And also for elderly, for an SSI household which is categorically eligible, that possibly they shouldn't have to do the same processing because they're already categorically eligible, that their application process could be just totally different, just a one-page front and back type of

thing, and even extending their certifications for a period of up to two years.

And then also the last thing would be to just simplify the program in general. I feel like the Food Stamp Program needs a big overhaul. But one other thing, I do have one other thing I was thinking about, that maybe we could do away with all deductions regardless of, you know, and just have people, the number of people, and the gross income counted for Food Stamp allotment because, you know, it's not really fair for one person to get more Food Stamps just because they have a higher rent. And that would be, you know, that goes for even people on a fixed income. So we could even do away with deductions at all and just have the number of people and gross income. Okay?

MS. WATKINS: Okay. Thank you very much, caller.

CALLER: Thank you.

MS. WATKINS: Bye bye. We have another caller on the line. Is this fun or what? Hello caller.

CALLER: Yes, my name is Lenora. And my comment that I would like to make today is that the state of Kentucky needs to have a better outreach program for

1	participants who may qualify for the program but have
2	no idea that they can receive benefits temporarily.
3	MS. WATKINS: All right. Thank you very much,
4	caller. Is that all?
5	MS. LENORA: I was also wondering, is there
6	going to be a videotape of the proceedings?
7	MS. WATKINS: There won't be a videotape of the
8	proceedings but we will have written documentation of
9	the proceedings. And we will have those available for
10	use as we move through the reauthorization process and
11	we're going to document all of the comments so that we
12	can review those comments and try to incorporate all
13	of the comments that are made so that we can use that
14	as a framework for trying to enhance the program.
15	CALLER: Now will they be made available on the
16	Internet?
17	MS. WATKINS: Well, we haven't quite decided
18	that. Are you making that suggestion?
19	CALLER: I think that would be a good way to get
20	these messages out to everyone.
21	MS. WATKINS: Well, we'll try and do that.
22	Thank you very much. You have a great day.
23	Okay, until we get another caller, we'll move
24	right ahead. Carolyn Pittman. Carolyn Pittman.

(Whereupon, there was no response.)

Did she leave? Well, if she comes back, we'll be glad to have her make her comments.

Catherine Palambo.

MR. CONRAD: While Cathy is coming, Betsy, you have a message.

MS. CATHY PALAMBO: My name is Cathy Palambo.

I'm from the Atlanta Community Food Bank. We're a
member of America's Second Harvest.

I'd like to share with you the results of a study that we did last year. It's a market basket survey of a week's worth of menus for a family of four from the thrifty food plan that we got from a USDA publication. We went to 52 local grocery stores in the Atlanta area. We surveyed specifically every item that was listed in the menus and the recipes with the menus. And we evaluated what the cost in the different neighborhoods would be of those menus.

The thing that we found was, on average, in metropolitan Atlanta, which the retailers will tell you is a very competitive grocery market, that the average lack in order to purchase the total menu items was \$55 a week. This is an enormous amount of money and a great amount of food for a family not to be able

to purchase.

And it really informed us on two things. One was the need for the moderate food plan to be used, rather than the low cost, rather than the thrifty food plan. The other thing it informed us was that we had to do a very aggressive advocacy job with our 700 member agencies in 33 counties about the Food Stamp Program and the services that were available to people who were going to food pantries and soup kitchens for meals.

And we have discovered, in doing that, that there are a majority of people, I would say, who don't know, one, that there's a Food Stamp Program, don't know, two, what that is, and don't know that they're eligible.

So one of our recommendations would be more money for outreach around the Food Stamp Program and very basic outreach. I mean, brochures and people visiting beauty parlors, barber shops, laundry mats, places where people congregate, those sorts of things, application forms in those sorts of places.

We put the state's Food Stamp application form on our food bank Web site and we've encouraged our food pantries to use that as a model to draw it down

and help people fill out the application form so that they'll know what information they'll have to take to the DFACS office with them and what questions will be asked. I think that can be used in a lot of ways in lots of organizations.

And so we would encourage you to think about Food Stamp outreach, not just through the state offices but through other nonprofit organizations. We are very, very concerned about the senior citizen access to Food Stamps. We know in Fulton County, which is Atlanta City, that there are 4,000 senior citizens on the waiting list for Meals on Wheels. And if we could get adequate Food Stamps to those 4,000 senior citizens, they may be able to eat until Meals on Wheels is able to serve them, or combine both of those, at some point.

When we think about access to food from a food security perspective, and think about how we partner with all the different nutrition programs, both through USDA and through nonprofit organizations, then we can address making sure that people are food secure. And it really has to be that large conversation with all the partners in the community. Thank you.

1 MS. WATKINS: Thank you. Abraham Smith. 2 (Whereupon, there was no response.) 3 William Diggs. (Whereupon, there was no response.) 4 5 Solomon Goush. 6 (Whereupon, there was no response.) 7 Milton Jones. (Whereupon, there was no response.) 8 9 Doris Bolyn. 10 (Whereupon, there was no response.) 11 Did they leave? Charles Butts. Good. MR. CHARLES BUTTS: Good afternoon to all of 12 13 My name is Charles Butts. I'm a caseworker with 14 the Gwinnett County Department of Family and Children 15 Services in Norcross. 16 Some of the issues I have, first of all, is with 17 the Food Stamp Program. Many times, not to say all 18 times that we have, but many times there are some clients who just sit on the system and have no -- that 19 20 are not ABODs but have no real desire to be working. 21 And I think that the goal of the program is to move toward self- sufficiency. And this move toward self-22

anything that could be included with the program, that

sufficiency, I was wondering if there could be

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maybe at recertification time, if there could be some kind of mandate that they would have to look for a job or something to assist them look for the job as in the TANF program.

And the TANF program, I do TANF, and in the TANF program, many times, the cases I've had, people are successful in getting jobs because we have the DOL workshop and we offer childcare and they have access to different modes that would get them a job. And if we could find something for Food Stamps also that would help them get a job, I think that would move them toward self-sufficiency also.

Secondly, fraudulence I think is a big issue in the Food Stamp Program, due to the fact that a lot of the bylaws and the standards that are set on the program may be based upon statistics and QC findings on fraudulent cases or cases that have been found in error. And not to say all people do, once again, but there are a lot of cases of people that are discriminated against because of the guidelines that have been set up, based upon people who have been fraudulent, based upon the income that they have. There are a lot of things that we can take the client's statement on, and when you do that, there are

times that people may have more income than they say or may be living with their spouse, or what have you, and there's no real way that you can check that. And so people receive benefits and they shouldn't be. So next time when it comes around that they have to make changes to the Food Stamp Program, people that should get it may not be able to get it.

I also want to piggyback on the elderly, and not to say what everyone else has said, but just to say that many times we don't recognize the elderly people sometimes may have been living with a spouse who has passed away and they get stuck with burial, they get stuck with a lot of different expenses that they didn't really plan for. And so, if we could set up maybe some guidelines or some deductions to not really penalize them or to take into account that they do have SSI and Social Security and maybe working with the death of a spouse, that would help them also.

I next wanted to mention about a community maybe resource list. In Gwinnett County, where I work, we have a resource list that, if we can't help people to find benefits, we can refer them, if they're homeless, to the Homeless Task Force or maybe St. Vincent de Paul or different people that we know of in the area

that may help, the WIC Program, the DOL Workshop, different places that may help them with their goals and needs to move them toward self-sufficiency.

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And, lastly, I want to speak on the system that the vendors and the recipients were talking about. People, I hope that people will realize also that when the system goes down, it renders us incapable of doing work also. We have a lot of times that, at the end of the month and the beginning of the month, and sometimes just at their leisure, the computer will go down. For what reason, we have no idea. Like this morning, it was down for three hours or so. And that lent us time to not be able to do work. The mode of getting information that we're accustomed to is not available to us and that lends to problems with people getting their Food Stamps and being able to use those. And so, if we could modify maybe the amount of time that they computer system is down, I think that would help the program also. Thank you very much.

MS. WATKINS: Thank you. Computers are wonderful, until they go down. Is there a caller on the line? Hello caller.

CALLER: I would like to make a comment on the Food Stamp revisions.

1 MS. WATKINS: If you would please identify 2 yourself. 3 CALLER: Sandra. 4 MS. WATKINS: Sandra, if you want to tell us 5 where you're from. 6 CALLER: Alabama. 7 MS. WATKINS: Alabama. Go ahead, Sandra from 8 Alabama. 9 I would like to see that people with, CALLER: 10 like, felony convictions, not just drug convictions, all felony convictions, maybe be disqualified from the 11 12 program. 13 MS. WATKINS: All right. Is that it? 14 CALLER: That's it. 15 MS. WATKINS: All right, thank you. 16 Gail Alexander. Come to the mic, please. 17 MS. GAIL ALEXANDER: I was hoping I wouldn't get called. Good afternoon. My name is Gail Alexander. 18 I'm part of the \$6 Million Club. I represent Alabama. 19 20 I'm not going to piggyback on the comments that was already made. We do have a representative from the 21 22 state office, which I'm sure she has these same 23 comments. But while I was sitting, I did come up with

some comments and suggestions of my own.

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One was stated about the program being named the Food Stamp Program. So while I was sitting there, I thought about the FAN Program, which would be the Food and Nutrition Program, instead of the Food Stamp Program.

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Also, I have a love for the young and old peoples and I have a compassion for the elderly. And I do have a concern about the benefits for the If there would be some way that we could incorporate the Food Stamps for the elderly with the Social Security office. Maybe the Social Security office can qualify those people, when they apply for Social Security or SSI, because we are looking at, we're talking about being self-sufficient. talk about the elderly and the disabled people, those that have retired, they have worked all their life, so they wasn't looking for a handout or someone to help them with the food. So I feel like that would be a bonus to them, if they would be able to just automatically be awarded Food Stamps, instead of having to come in and apply.

Also, I have, when we talk about that there has been a decline in the participation, once we look at increasing the participation, we also need to look at

1 increasing the staff. We talk about accurate and timely benefit. In order to do that, we will need 2 staff. 3 And I want to applaud you all for allowing the 4 5 little people to listen and have a voice in, you know, 6 what's being implemented. Thank you. 7 MS. WATKINS: Thank you. Mary Meadows. did you know Sandra from Alabama? 8 Yes. And also Mike from 9 MS. MARY MEADOWS: Alabama. Mike is in our region. Well, I'm glad I'm 10 11 going right after Gail from Alabama. 12 MS. WATKINS: Do you want to repeat your name, 13 please. MS. MEADOWS: Mary Meadows from Tuscaloosa 14 15 County in Alabama. Two of my concerns, in fact, are for the 16 17 elderly. In order to help with the elderly, eliminate 18 the \$35 deduction for the medical and grant a deduction for medical for all households whose 19 Medicare is paid by another government agency such as 20 21 QMB. I'd like to continue the ABOD disqualification 22

And make a proposal for the households increase

activities, continue those.

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in allotment. And I'd like to propose that those be based on 200 percent of the minimum daily nutritional requirement, which would result in an increase of the thrifty food plan and subsequent increase in allotment for all households. Thank you.

MS. WATKINS: Thank you. Stephen from the West Tennessee Legal Services. I didn't try. I'll let you tell me.

MR. STEPHEN XANTHOPHOLIS: Well, Madam

Secretary, when I saw you get to Stephen and had that questioning look on your face, the last name is Xanthopholis. It's 12 letters and begins with an X. I'll give a Greek lesson later on what it means.

It's a pleasure to be here and I'm sure I'm speaking for everyone in thanking you for the invitation to offer some comments on this conversation. I know some of the things I'm going to say are sort of beyond your control and they're sort of administrative, or not administrative but legislative type issues, but I think they are important for all of us.

One thing is that Food Stamps, for those of us in the south, are extremely important, and especially for our clients, in the sense that for a lot of us our

standard of need of our public benefits programs are extremely low and consequently Food Stamps provide a much greater portion of what people need to survive.

Also, our other governmental programs are much smaller than in other portions of the country, and so consequently people are much more stressed out in the things that they need for them and their families to maintain their viability. So the south is unique.

We've heard today a lot of comments about the complexity of the Food Stamps program. We've heard from people from the various states. We heard from Alabama and Mississippi talking about the complexity of the program. We heard about people from the food industry talking about the complexity of the program. And these are, they're coming from entities with a lot of resources. You can imagine, if they're saying that there's a lot of problems and it's complex, you can think of the burden that it puts on the recipient, you know.

And especially now when we're talking EBT, we're talking EFT, we're talking all of these very difficult changes for a lot of people that might not have the education that they need.

And also people especially from a rural area.

My organization serves 17 counties in west Tennessee, very rural. We have done Food Stamp outreach under the 50/50 program and some of the discretionary programs for a number of years, so I applaud you for doing that. But I think that one of the keys to this whole issue that we have is education and outreach and that we, in fact, need more resources in that area.

We've heard comments from various people, some recipients, but also some from other organizations, talking about the need for education so that recipients can understand the importance, the health ramifications, help them to be able to deal with the complexity of the system. You know, when you have caseworkers that are overwhelmed by the complexity, again, imagine the poor recipient. It's just very difficult.

You know, I'm a lawyer. And when I can't sleep at night I can pull out the Food Regs and I guarantee you I'll be asleep in ten minutes. And I think that's for all of us. It's too complex and people need assistance.

But the other thing I would add is not only do they need the outreach and the education, you need to be able to provide advocacy for people. There were

some changes made in the outreach program a few years ago that eliminated that. Education alone will not solve it. It will go a long, long way but, without an advocacy piece, you're not going to reach those very hard to reach populations. So I think that that's really, really key.

One of the things, that a lot of your people, at this point, I think, in terms of EBT and EFT, are very hard to reach, in the sense that they don't have bank accounts, you know. The local stores, the mom and pop operations have not made the transition to the cards very easily. I mean, we heard the gentleman from Kroger talking about the problems they've had. If Kroger is having a problem, heaven help mom and pop down the street. They're just going to have a real difficulty.

The other thing that I think that you should do on the outreach is to make the program a lot more accessible to grassroots organizations. Because I think a lot of your increase in participation is on a peer-to-peer basis, okay. You have a lot of community organizations out there that deal with people in a lot of issues that would be absolutely wonderful for this project. And you've done demos that will show that,

okay. But you need to think about two things. One, the 50/50 match is very difficult for them. So think about that, can you lower that to make it easier for more mainstream grassroots organizations to help you engage more people to sign up for those programs.

I could go on for a long time because I think it's a wonderful program. I think we have challenges but those are the things that I'd like to just comment. And thank you for sharing this. I hope that, when you go back and the time comes to twist arms on Capitol Hill, you can do a good job on that one.

- MS. WATKINS: Thank you. Carolyn Morris.
- MS. CAROLYN MORRIS: Hi, I'm Carolyn Morris, and I'm a Food Stamp supervisor.
- MS. WATKINS: You know what, it's so great to be back in the south.
- MS. MORRIS: In southeast Georgia is where I work. And a lot of the things that I had to say have already been said, but I just want you to understand the broad support for these issues, so I will go ahead.

I think that we could use a deduction on disability income. I think that the shelter deduction

could be made a lot easier if you had one standard utility deduction for anyone who pays utilities, period. It would simplify the workings of the program.

I think that we should have a standard medical deduction, also, for the elderly.

And I also agree about excluding one vehicle totally. What is in place now is not sufficient. They have to be able to have a decent car in order to work and to do their daily business.

I would also like to see, there were comments about the recertification process, which is a problem for all of us. And I think that we might have more people not just opt out of the program if you could do alternate reviews every other time. The working people have to come in every three months. And if they could mail in a recertification on the middle month and only come in every six months, we might have more continuous participation, instead of all the on/off of the program that's going on. And it would make everything simpler for the workers and the clients.

I also have ultimate simplification, like the man from Alabama. Just have an income limit, number

of people, number of Food Stamps. It would take away a lot of the errors.

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One other thing I wanted to say, just because I was a participant in the \$6 Million Club, and there seem to be some people not understanding about what was causing the decline in the Food Stamp rolls. And I have seen it directly so many times where, in my small town that I'm from, it used to be if you got a job you were lucky and you kept it. But now with the economy being so good, they're changing jobs so often and they're just not verifying. They're not providing the verification that's required. And, you know, these are eligible people, people that are eligible for the program, if they would just provide the verification and they're not opting to. I just think that it's not that they don't know that they're eligible. It's that they just feel, you know, the frustration with the program and what we're asking them to do. Thank you.

MS. WATKINS: Thank you. What's the \$6 Million Club? These gentlemen are sitting over there whispering to each other, what's the \$6 Million Club.

MR. CONRAD: The \$6 Million Club is a group of counties that issue more than \$6 million of Food Stamp

benefits. And in the southeast, that's 169 counties, out of the 735, that have joined together to manage the program with excellence.

MS. WATKINS: Okay, now we're on the same wavelength. Okay. Mary Jo Dennison.

MS. MARY JO DENNISON: You'll have to excuse the way I sound. I woke up this morning with laryngitis.

MS. WATKINS: Do you want to tell us your name.

MS. DENNISON: Mary Jo Dennison. I'm from Huntsville, Alabama. It's Madison County. I'm here again to express concern over the elderly. Some of our case managers felt that there should be a work deduction for the elderly who get regular Social Security because either they or a spouse had earned that income.

I'm also concerned about the vehicle policy. We expect people to work but we don't expect them to have decent transportation to get back and forth to work.

Huntsville has kind of a unique problem maybe to some of the other counties in that we're a high tech county. We have a lot of engineers and highly educated people who are in our workforce.

Occasionally, Huntsville, as other areas, experience recessions. During that time, those individuals who

have worked all of their lives come to our office in hopes to get benefits from us. Many of them have 401Ks that are their retirement and we deny them because of their 401Ks.

What we are suggesting, in our county, is that perhaps there be a three-month waiver of counting retirement accounts. During that three-month period, if an individual doesn't get a job, they're going to start losing their cars and losing their homes and everything else and they're going to need to get into the retirement account, at that point. But we thought, if there could be a three-month exemption, that they could partake in a program and perhaps that would improve the image of the program.

Because you have many people who come in who say, I've worked all my life, I've come in for benefits, you won't give me anything.

Also, our county participated in a pilot Welfare Reform project called Assets. And it's now dissolved. But, during that period, we did not refer to the Food Stamp Program as the Food Stamp Program. It was the Nutrition Assistance Program. And, personally, I like that title a lot better than Food Stamps. And that's the one part of that program in our county we still

1 refer to it as Nutrition Assistance. MS. WATKINS: Thank you. Vicky Johnson. 2 3 (Whereupon, there was no response.) 4 Marilyn Milney. 5 (Whereupon, there was no response.) 6 Karo Shanahan. MS. KARO SHANAHAN: My name is Karo Shanahan, 7 and I'm the director of the Alabama Food Stamp Program 8 9 in the Department of Human Resources. 10 Basically, everything has already been said but 11 I would like to reiterate it because it is so important. 12 13 If I had to use one word it is simplify. 14 would like to overall have a simplification of the 15 program. We think this would lead to greater 16 accessibility. 17 We would like to increase the minimum benefit 18 from \$10 to \$25 and implement a standard medical deduction. We recommend a minimum \$50 deduction, with 19 20 provisions for greater expenses, if verified. 21 We would like to change the resource policy to 2.2 be more in line with today's cost of living, especially regarding vehicles, which everybody here 23

has mentioned.

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We think that simplification of definitions and federal policy interpretations that are error prone and confusing to households would be very beneficial.

We would like to simplify the eligibility determination process by using gross income and standard allotments, based on income increments and household size.

We would like to reexamine the complexity added to the program by the special treatment for certain groups. A suggestion is to subsidize through other means or certify the provider as a household for everyone living under the same roof.

We suggest providing 100 percent outreach funding to assist the states in eliminating access barriers.

We would like to adequately fund employment and training and to abolish the ABOD rules and strengthen work requirements, such as decreasing the age work exemptions in the TANF program.

We would like to eliminate the EBT funding restrictions, and provide a 50/50 match for cost.

We would like to provide financial incentives to pursue EBT recipient disqualifications due to fraudulent activity.

We would like to provide retention funding for administrative error claims.

We would like to see improvement in the coordination between FNS and other federal agencies that have impact on the program, particularly HHS.

We would like to encourage categorical Medicaid eligibility for pregnant women and children receiving Food Stamps. And we think that this would be an important link to improving the health for low-income families.

We would like to retain the state option to require child support as a condition of Food Stamp eligibility.

And, last, we would like to see an increase in the coordination at the national level between USDA and SSA to assure access to nutrition assistance by the nation's elderly and disabled.

And we really appreciate the opportunity to be here. Thank you for listening.

MS. WATKINS: Thank you. We've been here now listening. We started at 1:15. I wonder if you'd like to take just about a ten-minute break.

(Whereupon, a choir of voices responded.)

MS. WATKINS: You would. Good. Why don't we

take a ten-minute break and be back in here at 3:25. The cafeteria will be open until 4:00, so if you want to go over to the cafeteria and get a drink.

(Whereupon, a break was taken from 3:15 p.m. to 3:25 p.m.)

MS. WATKINS: We took a little bit longer. I know you feel as much relieved as I do, having an opportunity to go out and stand up walk around and visit. This is going so great. Again, I want to thank all of you for your participation and to thank the staff for doing such a super job.

We're going to get started. We have Jane Walker and Sr. Rosemarie.

MS. JANE WALKER: Good afternoon. Thanks to Virgil Conrad we're here, otherwise we wouldn't have known about it. He was at the EAT Conference in Florida a couple of weeks ago, and made sure that everybody got an announcement of this. So we didn't get it until late.

We are from St. Petersburg, Florida. My name is Jane Walker from the St. Petersburg Free Clinic.

We're a community organization that provides medical care. We're an independent food bank, not part of the Second Harvest network, but we provide billions of

pounds of food in our community. We have a food pantry and community kitchen.

And, Sr. Rosemarie, do you --

SR. ROSEMARIE: I'm Sr. Rosemarie and I'm a director of a food pantry, an independent food pantry in St. Petersburg, Florida. And I want to thank you all for allowing us to be here.

(Whereupon, a banner was presented.)

MS. WALKER: When we found out about it, we knew everybody couldn't come up here so we decided to have our own local conversation and bring the comments back to you. So we tried, within our community, we tried to get a good representation of who was there. We made quite a few phone calls. At such short notice, about 25 different groups showed up representing homeless, elderly, disabled, single parents, developmental disabilities, domestic violence, grandparents raising grandchildren, just a whole variety of issues. And we came up with quite a few.

One of the reasons that we decided to do it that way is we know, probably the same way you do, that the more you hear out loud yourself the more it generates other ideas and other ways of looking at things. So we called together our community for that reason.

Some of the things that came up, within our local community, also came up, has been coming up very strongly here. The vehicle asset, the vehicle limits was a big one and everybody was in agreement on that one.

Not everything on here was agreed upon by everybody, but we wanted to include everybody's comments, just like you would, whether they were able to be here or not.

One of the other things that went along with eliminating or raising the asset level or raising the value level of the vehicle was also to allow indebtedness on a vehicle if it is over whatever income it is, because a lot of these folks are working or paying for a car or trying to buy a car that's decent enough to get them to work.

In listening here, and in some of the discussion in our state, and we did have Food Stamp folks there with us to help us in our discussion, we felt as a group that states should not be allowed to make more restrictions than allowed federally. There are a lot of problems that we had within the state that we found out had nothing to do with the Food Stamp Program on a national level. It was what our state was choosing to

do. And we don't think that anything should be up to the state's, as far as that goes, because that is eliminating a lot of our folks.

The limited amount that elderly and disabled are allowed to get, the minimum of \$10 was a real big discussion point among all of us. And one of the suggestions they had is, if it can't be raised, at least let them get it in maybe a lump sum for their certification period so that it feels like more and they've got a little bit more to work with at one time that they could put to better use.

The emergency Food Stamps issue came up quite a bit, how to get the card immediately. One of the comments was the more states that are involved, the more communities that are involved, the longer it takes to get the EBT cards because there's more people to mail them to. Something needs to be brought down to get that local access much quicker. As well as folks who have no homes or unstable homes, that need to have a mailing address, that local offices need some kind of mandate pressure, something that they have a community partner that will act as a mailing address. We understood from the Food Stamp people that they didn't feel like their offices could be that

because of the possibility of fraud or some other kind of hanky-panky going on. But that at least somebody in the community -- Our agencies do that, but we know there are communities that don't have that.

The ABODs, again, we're eliminating the ABOD rules. We deal with a lot of people who may be able bodied but not able minded and they do not get the disability ratings. We can't get them in to doctors. They're not going to admit they have those kind of problems that would keep them from getting a job, but they're also the kind of people that don't keep jobs, for that reason. It's causing quite a hardship on people.

You've got a list of all of them up there. The one that personally I wanted to stress though is we have a grandparents raising grandchildren group. And for relative care givers, there should be an exception to including them on the grants. If they choose not to -- A lot of these grandparents have worked all of their life. They have built up some assets. They find themselves in a position to need to take these grandchildren, either because of death, disability, incarceration, or just plain irresponsibility of these folks. A lot of times they do have a decent car that

they've saved up to get. They get the children in the home. They don't have the excess to meet it. They don't get the same kind of consideration foster parents do but they're also struggling everyday to meet the needs of these children. And it would be very hard to show that they're eating separately and some of those other rules, but they are taking on these children and do have an added responsibility.

And allowing for anything dental related in the Food Stamp eligibility, because that is an extremely important part of the nutrition, is good teeth. So toothpaste, which they used to be able to buy with the stamps with a few extra dollars. But teeth, dentures, anything that's mouth related that might cause a problem in eating food prepared.

- Sr. Rosemarie, did you have some additional?
- SR. ROSEMARIE: The Fork Act.
- MS. WALKER: Okay. And we also strongly support the Fork Act and the Hunger Relief Act. That would make a big difference to all the folks that we serve. Thank you.
- MS. WATKINS: Thank you. The two of them are going to try to get back to Florida now. Thanks very much.

Alexis Pauline, and I can't read that. I don't know if it says Gimms, Crimms.

(Whereupon, there was no response.)

Well, good, she's not here to know I messed up her name.

I guess this is Bobby Letts.

(Whereupon, there was no resopnse.)

Rosalyn Nixon.

(Whereupon, there was no response.)

Yolanda Douglas.

MS. YOLANDA DOUGLAS: Good afternoon. My name is Yolanda Douglas, and I'm a supervisor at the Fulton County DFACS office. I'm here today because I am an advocate for the working poor, students, and also the elderly.

There are so many stipulations. We talk about people becoming self-sufficient, and when people try to become self-sufficient, the income levels are so low that they're unable to get the supplement of Food Stamps that's needed to assist the family. When we talk about working, we talk about you need to work to become self-sufficient. Well, if I work, I'm not able to receive Food Stamps. And, if I'm working, I want to try to provide a safe home environment for my

family to live in, which means ultimately my rent is more. But, if I don't work, I can receive the full benefit amount and receive food stamps and my family can eat. So what kind of choices do we have, you know, if we look at that, to say, you know, should we work or, you know, to feed our families, or not work and receive, you know, everything that the family can receive. So we really need to look at the limits, the income limits for families.

Also, for elderly, the \$10 amount for SSI recipients, these are people or Social Security people who have worked all of their lives who need assistance. And the \$10 or the low amount of Food Stamps they receive is not enough to assist with the family.

And I know these are some of the things that people have already said, but they are very important. Thank you.

MS. WATKINS: Thank you. I'd like to remind you again that you do have an opportunity to submit written comments through the end of August. And we'll be accepting written comments. So if you don't get a chance to say everything that you wanted to say today, just remember you can provide written comments. And

you can also send us comments via e-mail, if you would like.

Tara Harrison.

MS. TARA HARRISON: Hello, I'm Tara Harrison from the Department of Family and Children Services, located here in Atlanta.

My concern is in raising the resource limit on vehicles, which is one that has already been stated. Basically, right now the standard deduction stands at 4,650 and a lot of the clients that come into the office aren't eligible based on the fact that their vehicle or the price of their vehicle is too high. So, basically, mine is on raising the income limit for the -- not the income limit but the deduction on vehicles. That's basically it. Thank you.

MS. WATKINS: Thank you. Nancy Linbloom.

MS. NANCY LINBLOOM: Thank you for the opportunity to speak here today. I am Nancy Linbloom. I'm an attorney with the Georgia Legal Services program, and I'm based in Athens, Georgia. My comments today, and I will, in the interest of time, I'm not going to go over areas. I'm going to just zero in on two what I think are very critical areas where we have had clients, specific clients incurring

problems.

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And the first area is access. I appreciate what everyone else was saying about certainly there are back-end comments, which is you're eligible for Stamps and you're hitting the problems when you're in the grocery store line and having problems there. are certainly issues involved with just becoming eligible for the program. But I'm more, I wanted to raise here today some of the problems that have come up with our clients, which is just accessing the system to begin with or, once you're on, getting information back and forth. Specifically, let me give you some examples that come from clients, and also from our local offices in the large urban counties in Georgia, because the legal services or legal aid phone number appears on any notice that goes out to the client about you're eligible, you're not eligible, your benefits are going up and down. The legal services phone number for that particular area shows up on that notice. And it's fairly close to the main telephone line number for the larger urban county DFACS offices. What's happened, over the last year, is that the receptionist in legal services, we asked them to start logging the calls coming in from people

who were trying to get through to the large urban county DFACS offices on the main line and could not.

And because our number was there and was local, they'd call that number.

And you might say, well, what's the big deal about that. Well, the big deal is that these are coming in at 90 to 100 calls a day to our office for people who can't get through. And because the Food Stamp Program, as I know you all well know, has got, in your federal regs, provides for the necessity for a client's responsibility to make reports of things, anything, there needs to be that ability to get through that remains a major problem.

In addition, elderly clients have been mentioned here frequently. We had an elderly client who was told now interviews are conducted for Food Stamps in a group. That is, you go in and you wait. You're in there with a group when you're asked to go through the application and take information. She decided that she wasn't going to do that. Her privacy was important to her and she thought she should not have to go through a process like that.

Thirdly, just the offices themselves. I realize that the department has made a major effort recently

to look at access issues from the point of view of good ideas, best practices that can be shared with the states. But I would raise a concern of what are some of those minimal issues or minimal standards, if you will, to make sure access is in place.

Let me give you an example. I was down in Chatham County, Georgia, which is Savannah, Georgia, in the last year and went over with some other people to a meeting and literally, as you walk through the door, not even as far as the flip chart stand is there, the first thing you see, and I had to look to make sure, I thought it was a policeman initially, but is a security guard. You can't go left. You can only go right and you can only go into the office, after you go through seeing him. And I raised issues because I know there's great concern in Washington and elsewhere about why are the Food Stamp rolls declining. But I think that also has an impact, in terms of access issues.

The other aspect of access is verification.

Several people have alluded to this. In some of those larger urban county offices, for example, you know there's nothing anywhere in the regs that says, if I bring in the verification, that the Food Stamp

recipient is to get something indicating, yes, you brought it in on whatever date.

In one of the large urban counties I spoke about, where everything is glassed in, that is, when you go through, there's glassed in small areas to speak to people. There was a large cardboard box that sat in the middle of the room. It didn't have anything special to it. Just a large cardboard box. What we found out was that's where you're supposed to put verification or anything that was supposed to go to the worker. I mean, in other words, just toss it in. How are you going to know that it made it through? How do you prove you dropped it off?

In addition, I would raise with you, although it's been alluded to before, when people have been talking about the car issue and the value of a car, that many times Food Stamp recipients have transportation problems getting back and forth to the DFACS office. So the more that they have to make repeated visits, that is going in once and get told come back tomorrow, that may sound simple but it may not be, in terms of working out a ride to be able to get there, or to get a piece of verification or a piece of paper back into the DFACS office. And I

think that is also crucial.

Finally, I'm going to let one of my colleagues talk about bilingual issues and problems in the program and her experience there.

But I also wanted to raise an access, and in particularly elderly people and disabled people, because it came up also with EBT. Unlike the Maryland EBT pilot program, where elderly and disabled people had the opportunity to opt out of using EBT, if they didn't feel comfortable or didn't want to have to master using the system, that hasn't been done. Nor, to my knowledge, was there ever any kind of more specialized training offered to those groups of people to make them comfortable with the system.

Secondary, and my last one, I'll keep this brief, has to do with fraud. I believe one of the Alabama Food Stamp people alluded to that, to the incentive, the fiscal incentive system that's been in place so that states actually -- For people who don't know, the fiscal incentives mean that because Food Stamps represent pure 100 percent federal dollars, when overpayments are collected and financial incentives are in place, the state gets to keep a certain percentage of monies collected. It is a

higher percentage of monies that are kept, if the overpayment is due to fraud or intentional program violations. So there is a fiscal incentive in place to do that.

I would offer back to you, in terms of a rethinking, to look at that from clients who have been impacted by this, both at what are called front-end fraud investigators, about the prevalence of unannounced home visits. We literally -- And, unannounced, I say that specifically, in terms in light of the Food Stamp regs and law specifically saying that they are to be announced, not just show up or show up and expect the client to either be there or return a call within a one-hour period or their benefits are denied. It happened to another client who was going to have tried to make it here today.

I think the other thing I'd say about fraud, and I want to reference back to Ms. Foster, and power to her for coming all the way up here from Macon to testify about what happened to her. Just so you are clear, because Georgia Legal Services is still is trying to work with her, is when she went into, the Food Stamp worker had her, told her she had to go into a separate room for the interview with the two

policemen in that room. Not in the outer area, not within providing general security. She told her that that was the way the interview had to be conducted. This was approved higher up within the Bibb County DFACS department, not just for her, but for other clients as well. And they conceded that there wasn't anything specific. Ms. Foster hadn't made a threat. There was nothing specific. And you saw her reaction, which is, wait a minute, you know, why should I go through this.

And I think that, coupled with the department's regulations right now which, in the fraud area, provides shortcuts for the states to use to get fraud findings on overpayment and signing waivers of your right to a hearing, for example.

I'd encourage you, we just had another case come in like this, to take a look, because the department is allowing states to use those shortcuts to fraud determinations, to look at the forms themselves people are being asked to sign.

Computer software can now tell you what reading level is required, what grade level would be needed to understand those forms. And the forms being utilized in Georgia require several years of college-level

education to understand, yet they're being used at quite a, on an extensive basis, not case by case.

I would also offer to you the stats and info that you put out about overpayments and fraud. You can note that Georgia, which makes widespread use of those waiver forms, and the other shortcut, a disqualification consent agreement, has extremely high numbers. I think actually on numbers of those signed it's probably higher than California. But I would assert to you that that's not because people in Georgia who are trying to get Stamps are any more likely than anyone else to have committed fraud.

Given the tougher standards that are in place for fraud disqualifications, including an ultimate lifetime of banishment from the program, I would urge USDA to take a hard look at those issues. Thank you. I know I talked a long time.

MS. WATKINS: Thank you very much. We have a caller on the line. Caller, are you there?

CALLER: Yes, I am.

MS. WATKINS: This is Shirley Watkins with USDA.

If you would tell us who you are, you can go ahead

and give us your thoughts on Food Stamp Program

reauthorization.

1	CALLER: All right. My name is Sherry from
2	Alabama. And I just had one comment on the vehicles.
3	I think that we should increase the amount that's
4	subtracted from the Vehicle Blue Book to get the fair
5	market value. Move it up to \$10,000 instead of that
6	4,650.
7	MS. WATKINS: All right, thank you, Sherry from
8	Alabama.
9	CALLER: Thank you.
10	MS. WATKINS: We have another caller on the
11	line.
12	MR. CONRAD: They hung up, Shirley.
13	MS. WATKINS: Okay, they hung up. They have to
14	be patient with us. All right, we'll wait and maybe
15	they'll call us back.
16	Yvette Munroe.
17	(Whereupon, there was no response.)
18	Kimberly Smith.
19	(Whereupon, there was no response.)
20	Laura Lester.
21	MS. LAURA LESTER: Hi, I'm Laura Lester, and I
22	work with Atlanta Legal Aide, and I specifically work
23	up in Cobb County. I'm a staff attorney.
24	First off, because I'd like to believe we're

voting toward something here, I'd like for y'all to make another mark down on the vehicle exemption issue.

MS. WATKINS: You must be looking at what I'm doing as I check off.

MS. LESTER: No, it was just a hopeful guess.

The one issue that I'm going to talk about, that Nancy alluded to earlier, is an issue that's come up in our county, in Cobb County specifically, especially in the last year. We have an exploding Spanish speaking population in Cobb County that I think everyone is trying to learn how to deal with, including our office. What I'd like to speak to is trying to get increased funding to help local offices deal with the access issues, the barriers to access for these people who speak Spanish.

What happened in our office, we started getting calls last fall, in particular, from a number of Spanish speaking applicants who called our office to say that they would call the local DFACS office and someone would say something to them and then simply they would be hung up on. When I contacted the local DFACS office myself to sort of see what was going on, I was told that, yes, you know, we'll tell the person who calls up and asks if anyone speaks English, I'm

sorry, if anyone speaks Spanish, that, no, nobody speaks Spanish. And then they would hang up the phone. When we brought this to the attention of the local DFACS office in Cobb County, they were appropriately horrified. And they're all sitting over there, actually.

And we all sat down together and we talked about some ways to come up to solve this problem. And we came up with three, I think, really good ideas: trying to get a full-time translator in the office, trying to get an automated phone system, press 1 for English, 2 for Spanish. And the third idea was to ask the state for increased funding to give the two caseworkers that were already in the office who spoke Spanish a small, small raise so they could take on most of the Spanish speaking clients.

I would just like to point out that it took months of their begging, coupled with several threats from our office, before they were able to get the funding for at least two of these ideas. And there now is a translator in the office. The phone system is in place. And they still, however, cannot get the approval for the raise. Apparently it's been approved for new hires but not for the people who are already

on staff. It's a simple solution to a problem, a huge problem for the Spanish speaking population and they can't get it. So that's what I'd like to comment on.

MS. WATKINS: Thank you very much. Catherine Davis.

MS. CATHERINE DAVIS: Hello. I'm Cathy Davis from the regional office here of Health Services and Resources Administration. And I would like -- Thank you for inviting me to come to testify on Food Stamps. I think it's a good idea.

I think that one of the things, as a nutritionist, I like that people have the choice to pick anything they want in the supermarket, whether it's nutritious or not, because Americans like choice. So that makes this a very good American program. However, as a health professional, I would like to put in a plug for taking some money off the top for population-based nutrition education. It could be targeted toward low income and Food Stamps, but I think we need some adequate nutrition education out there.

In my job as a nutritionist, I work with maternal and child health. We're very closely related to WIC. If you're pregnant or under five and you have

nutritional risk and you're low income, you can get to a nutritionist. But that's about it. The primary care centers that we deal with in HRSA, we see a lot of low-income people. The big problems we see are obesity, diabetes, hypertension, lipid problems, all of them related to nutrition. We need nutrition education for the population as a whole, not done by companies who have interests in selling you something, if you like their nutrition education. We need scientific-based information.

At this meeting, we've heard a lot about the elderly and that's very important, especially the new elderly or the middle-aged who are having problems with obesity, hypertension and diabetes. And, basically, I think we need to prepare the baby boomers for getting old. Baby boomers have done nothing quietly, nor will we get old quietly. And we need nutrition education services. There's a lot of new nutrition information out there. There are a lot of supplements being pushed. The only education being provided is by companies that are selling you something. So I think we need nutrition ed.

One of the nutrition ed sources we used to use is extension, which is in farm communities. Well,

we're not really going toward a farm society. We are in the information age. This is a time when you buy your groceries on the computer. So it's almost like writing food specs to buy your groceries. But anyway, we need nutrition information to help us. With TANF and the Welfare Reform, we're pushing families back into the working society. You only have five years to be on welfare. And it's hard to be a working mom and to buy good food. So we need some nutrition ed to help us. So I'd appreciate if you'd put that in.

MS. WATKINS: Thank you very much. Dorothy Sankey.

MS. DOROTHY SANKEY: Good evening. I'm Dorothy Sankey. I'm newly appointed, as of July 3, as the program supervisor for Montgomery County.

The few suggestions that our county have to improve the Food Stamp Program are, number one, please give us, ensure that each county is adequately staffed, in order to render service to our clients. The counties, and in specific Montgomery County, we desperately need many good social workers to process cases to determine eligibility. The county staffs, we are the front line. We are like the Marines on the front line of this hunger war. We're taking all the

bullets from the clientele that we serve. We are truly the few.

Although we are few in number, we are mission oriented. I look at the Food Stamp Program as a ministry because the hungry will always be with us. So we who remain are truly in it to help feed the less fortunate. The poor will always be with us. Therefore, a new, improved, more efficient, better managed Food Stamp Program will always be needed.

In the county, it's like a snowball effect. You have decreased staff, increased caseload, decreased staff, increased phone calls, due to insufficient staff, stressed out workers who find less stressful jobs, angry clients who can't receive food assistance in a timely manner. We, the county, want to deliver service efficiently and timely but, without proper staff, we cannot.

Montgomery County has close to 10,000 active cases. We used to have about 30 workers but now we're down to 13 workers, lost one just yesterday, with caseloads close to 750 approaching 800 cases per worker. This is due to continuous loss of staff, with no additional new staff.

So, number two, we need a clear, precise, user-

friendly functional Food Stamp manual to avoid policy misinterpretation.

Number three, there is discussion to abolish
ABOD work registration requirements. It is true that
the ABOD policy needs to be revised and one revision
that is needed is to give the able bodied person more
assistance locating work or finding jobs. But, if
ABOD work registration requirements are abolished, it
most definitely will increase the caseload for an
already understaffed Food Stamp Program.

Number four, the vehicle resource limit needs to be set more realistic to meet the increased cost of automobiles. Our clients would be helped if we excluded one vehicle and applied fair market value to any remaining vehicles. This would enhance the client's ability to join the workforce, since we are encouraging our clients to go to work.

Number five, utilize the jobs program and the child support program. Make it a requirement for the Food Stamp Program that clients eligible for these services participate.

And the last thing is, provide us with ongoing refresher training.

So, in summary, my six points are, number one,

staff. Number two, user-friendly Food Stamp manuals.

Number three, revise the ABOD policy versus

abolishing due to increased caseload for understaffed

counties. Number four, set realistic vehicle resource

limit. Number five, incorporate jobs and the child

support programs as a Food Stamp requirement. And,

last, consistent training.

Thank you for your time and concern for soliciting our input and feedback from the people who actually work with the clients in the Food Stamp Program. I trust, hope, and pray that our suggestions will help to improve the Food Stamp Program. Thank you.

MS. WATKINS: Thank you. We have a caller on the line. Hello, caller, this is Shirley Watkins.

CALLER: Yes, this is Sharon Smith. I'm a Food Stamp worker in Clarke County, Alabama, and I have some comments.

MS. WATKINS: Thanks, Clarke County, Alabama, go right ahead.

CALLER: For one thing, I think the elderly disabled people, they need to get like a standard medical deduction or something to make them get more than \$10 of Food Stamps a month.

1 MS. WATKINS: Okay, thank you very much. 2 have other comments? Yes. Another one I can think of, the 3 CALLER: vehicle policy needs to be rewritten or revised or 4 something. Now we take the value of the vehicle and 5 6 subtract 4,650, you know, from it. And that 4,650 7 needs to be raised. I mean, you know, because most 8 all cars, if they run, are going to be worth more than 9 4,650. And if we want our clients to go to work, you 10 know, they need a dependable car. So either that

MS. WATKINS: Anything else?

vehicle for work or something like that.

CALLER: That's it.

MS. WATKINS: Thank you very much for calling. Have a great day.

needs to be raised or either another rule like exclude

one vehicle per licensed driver or just exclude a

Do you

CALLER: Bye.

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MS. WATKINS: All right. Tim Brock.

MR. TIM BROCK: Good afternoon.

MS. WATKINS: Good afternoon.

MR. BROCK: My name is Tim Brock. I'm with the Department of Children and Families in the state of Florida. I used to be a Food Stamp worker and

supervisor for a bunch of years, and that's where my love still is.

I've got to start with saying, as coming from the state of Florida, if you are familiar with the non citizen policy, you'll understand our concern over this thing. I recognize it might be a little naive for us to ask Congress to simplify something, but quite honestly, if you've got anybody that understands that policy, by all means send them down, because we're sure having a hell of a time with it.

In terms of the program name, I like the Nutrition Assistance Program.

We've got some idea here, in terms of thinking a little bit outside the box too, and that is, if the folks over on the SSI side of the house are creating eligibility that constitutes categorical eligibility, why can't they authorize Food Stamps for these people, as well? Why have an extra leg in that process? Why not expand program access that way?

We're very much, you can put a check mark down for the elderly benefit. We'd like to see a floor there of 20, 25 bucks minimum.

You can put a check mark down on the vehicle and assets stuff.

I'm a little reticent to say this, because we're now below the federal tolerance on QC, but we're really not happy with the QC process. We'd like to see improvements there. The only concern I have is, if they go and mess with it, we might lose track of where we were and be outside the tolerance again.

I've got to say also that I come at this world now from a systems and a technology side of the house.

And I very much enjoy watching you smile as you push the button and see the technology really work every once in a while.

One of the things that very much concerns me though is that, as Congress and the federal government provides changes to this program, that we have an appropriate opportunity to do the system implementation components of it. Some of these systems, in order to automate some very complicated policies, are very complex systems. And when you want to go and change them, even simplify them, there's a complex process that requires sufficient lead time, in order for it to be effective.

And I guess the other thing mainly I wanted to talk about has to do with the comments from the young lady earlier, with respect to the fact that, if we're

taking activities and we're putting them in this commercial environment, that we're losing control and we're not getting the best use of our money and that we should probably keep them in the public sector.

And then, I guess almost immediately after, she went into a rather long discourse as to how the public sector isn't doing the job either. So I'm not sure which is the answer then. Is it the private sector or is it the public sector or what?

What I would suggest is that the states need some amount of flexibility in that area. We are interested in trying some different ideas, in terms of marrying public and private partnerships. Currently, we're very much restricted, in terms of how we can use private or contractor staff, in terms of improving the programs.

So, with that, I'd like to say thank you for listening. Come on down to Florida sometime.

MS. WATKINS: Thank you. We have a caller on the line. Caller, this is Shirley Watkins.

CALLER: This is Mary Andrews in Clarke County, Alabama.

MS. WATKINS: Well, you hear the audience laughing because most of the calls we've gotten today

have been from Alabama.

CALLER: Really?

MS. WATKINS: So it looks like Alabama got the message that we had an access opportunity.

CALLER: That's right. And we're taking advantage of it.

MS. WATKINS: Good. Go ahead.

CALLER: We want to be heard.

MS. WATKINS: Good.

CALLER: My major concern is, and I think all the workers kind of have the same idea that I have. We'd like to see the elderly with a benefit of at least \$50 a month. I don't know how it's going to be accomplished, if it's going to be through a medical deduction that will automatically be given so that will ensure that their benefit will come up to that.

And then we need to do something about the vehicles. We are in rural Alabama. We have people who can work but we take them off the system because of the value of their cars. When we were on assets, the policy allowed one vehicle per licensed driver. We need to do something like that again so that these people who we're having to cut off, who have nothing, who need to be on, they need a car so they can go to

work. We need to kind of change that.

And that's my comments.

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MS. WATKINS: Good. Thank you very much.

CALLER: You're welcome. Bye-bye.

MS. WATKINS: Bye-bye.

Do we have another caller on the line? No. Okay, Burt Stickland.

MR. BURT STRICKLAND: I'll come all the way up here, since I'm speaking for South Carolina. My name is Burt Strickland. I'm the county director of Marion County Department of Social Services in South Carolina. I've been working with the Food Stamp Program directly for 32 years, which pretty well dates me. I've written down some comments. When I came in the door, Virgil, they asked me did I want to make some comments because they said they knew I couldn't come here without talking about it. So I told them to add my name to the list.

The first thing is that I always try to be kind of innovative. In South Carolina, we try to be as innovative as we possibly can. And the federal government has been real nice in allowing us to have a good bit of flexibility, except they've got this little thing about it has to be cost neutral, which

sometimes gets in our way of being flexible. We would make the suggestion that, when you allow us to be flexible, that we have some kind of caveat, whereas, if our design, for example, makes the program more accessible and also we can guarantee the same level of program integrity, that we would have an opportunity to try something.

I run into things all the time because I'm always redesigning something and somebody is telling me I can't do it because I'm in violation of the state plan. So I'm very familiar with being told that kind of stuff.

But, anyway, on regard to the elderly. And I know folks don't like to hear people talk about what you're doing yourself, but we've been working very hard with our senior population on trying to expand nutrition by expanding delivered meals processes.

Also, Virgil, we're also doing Food Stamp outreach. I think Food Stamp outreach is very important. When I was a Food Stamp supervisor, way back yonder before about half of y'all were born, I used to go speak to groups, anywhere from two people to a church full, trying to get people to come and take advantage of the Food Stamp Program. I know that

sounds alien, but we actually had to get out and sell the program. And I think, you know, with Welfare Reform and people leaving the rolls, we say, well, you know, that's good but some of the things have already been discussed here today about the differences in programs.

It's kind of hard to utilize the Food Stamp Program. As the gentleman said a while ago, Food Stamps are his first love. Well, I've been in Food Stamps up past my ears for years. And the thing is, you know, some of the regulations that we've got and some of the limits actually are counterproductive to helping people become self- sufficient. The Food Stamp Program should be a support program so, therefore, as we identify and y'all identify things that are barriers to the program really reaching its potential, those should be really looked at.

One thing that I would want to recommend, is I would like to recommend that we have the option of going back to doing something that we did in four counties in South Carolina years ago. We did it and I think somewhere in California did it. We had what was known as the SSI Elderly and Disabled Cash-out. Which meant that individuals who were in this group and

qualified for the Food Stamp Program got money, instead of Food Stamps. It took all the stigma off of it. One thing that really hurt the program though is we couldn't go out and advertise it. So we weren't able to prove that it was more effective than not having it. I will tell you this, when they did away with it, we lost 67 percent of those people to the program in 18 months. So that's just a recommendation.

Another recommendation is, I like the lady that called in and said \$50. I had written down 25. But, you know, SSI, you're categorically eligible for SSI.

Another thing is, years and years ago, if you got a welfare check in South Carolina and you got Food Stamps also, you didn't have an ending certification date. It was indefinite. I'm very familiar with that because I was running the Food Stamp Program and my FDC caseworkers would have a welfare client on indefinite certification and forget to adjust at the end of the certification period. So I'm very familiar with the indefinite date.

And I've got this down for SSI. SSI are categorically eligible, and they can apply for Food

Stamps at the Social Security office. They do not have to come to our office and file a separate application. The reason that you probably still have to have the application is they may be in the household with someone else and if you did go and say, well, you automatically get Food Stamps then you have to establish them as a prima facia case for a separate household. But I'm not saying that's -- That would be something you could look at. That would be what you would have to do. But I don't see any reason for having -- We can certify them up for two years.

I don't see any reason for us not having them certified indefinitely, after we determine that they, in fact, fit that category. Because two things are going to happen. If your benefit changes, the Social Security office is going to notify us electronically. If they passed away, we'll figure it out after a while.

One good thing about the EBT card system, with the EBT card it makes it a little more difficult for people who have passed away to use their benefits.

With the old Food Stamp Program, when we mailed out coupons, we did have people who had passed away who were able to use their benefits for months and months

and months after that had happened to them.

Also, the lady who got up talking about the program integrity issues, not only am I a big advocate for the Food Stamp Program and outreach, I'm also a big advocate on program integrity. We had the first county-based investigative unit in the state of South Carolina in 1975. I firmly believe in helping the needy and cutting off the hand of the greedy. And I think you can have both of them, but you have to do it with a very balanced hand.

One thing on the percentages, they've cut our percentage of rebates down, which has, in fact, hampered us because, in South Carolina, the counties get, the county DFS offices get half of those monies for improvement to the Food Stamp Program. And so it kind of cuts down the funds that we can put in things like outreach, improved program integrity, and client services. And also it's been a good source for emergency funds. And the reason I say that is, with the new system, and folks coming into our intake system, if they need something to eat, they don't need it three days later when they can get the card.

One thing I always liked about the Food Stamp Program, when I was a Food Stamp Supervisor, for years

and years, and even after I've been a county director, I insist on it. You come in my office and you need it and you qualify, you've got something in your hand when you leave. So now we do it with food vouchers and food assistance with help from our partners with the food banks.

And the reason I'm asking for more money is because the reduction in the rebates has cut back on our capabilities of having those monies. Plus, as we've gotten better with program integrity and making sure that cases are clean going into the system, with all of our technology, we've also reduced the cases that we've had to have and go collect money back from.

Contrary to popular belief, we do not approve people knowing they don't qualify, just so we can turn around and collect from them. I know people have accused me of that in the past but I've never done it.

Also in South Carolina, we are now using, I'm one of the counties that's piloting what we call our single application. You do not have to apply separately for separate programs. You fill out one application and that application is used to determine eligibility for all programs.

And as I was talking to Mr. Conrad last month,

in a meeting he and I were at, we're using it because folks have come in and applied for Medicaid. The fastest growing program in South Carolina, folks, is Medicaid. But people have come in and applied and qualified for Medicaid and nobody ever asked them did they want any food stamps. In this process, we're making sure that folks that come in for and apply for medicaid also have an opportunity to get on the Food Stamp Program, without having to make a separate application.

I don't think you have to change the federal requirement on that. I'm just mentioning that.

Sometimes people say, we can't do so and so. My feelings have always been, if you don't want me to do it, then what you better do is write down somewhere you better not do it. Because if I can't find that nowhere, then we figure you can do it.

Error rates. South Carolina has been very fortunate this past year. We've got a good error rate. We've got another good one going. I've got some mixed thoughts about error rates. We put a lot of energy, haven't we, Sandy and Nancy, the counties have, on education, educating clients, educating case managers, training, training, training. We have just

as much turnover as the rest of y'all who do training.

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The only part of the error rate calculation that always hackles me is being held responsible for an under issuance to a client where the cause of the under issuance was the client not reporting something Now I got over the part where they were holding me responsible for under issuance where it was I got over that. I can see how they could think that we would err on the downside to make sure we didn't go on the overside. Not that we would do that either. But the fact where it figures in where the under issuance is due to the client not reporting something to us, especially when we have our ability to restore benefits. You know, it's no harm no foul. But I don't think -- I think that something should be changed so that is like held harmless and not in the calculation.

I'm not exactly sure how much effect that has. It has more of a chilling effect on eligibility staff when they have a case that's held in error by quality control and it was an under issuance and the client did not report something to us.

The process we have just gone through last year

in South Carolina, probably what all of you go through. Someone was talking about we've got too much work and not enough workers. We've just gone through a workload analysis process for all of our programs. I chaired the group and did the one on Food Stamps, workload analysis.

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What I found out was what I already knew. The Food Stamp Program has become so labor intensive. I mean, years ago, we had a two-page form. You asked for it on the front and we gave it to you on the back.

MS. WATKINS: Burt, can you speed it up?

I will. I'm just making this MR. STRICKLAND: recommendation. I do not see -- I cannot see any reason for making clients come to our office every two or three months to fill out paperwork. Twenty-five percent of the meal recertification forms that we send out in South Carolina are not returned. That means the case closes. That means the client comes back to The client misses an interview and the the office. cases closes and they have to come back to the office. I'm in favor of, once we determine they're eligible, give them a year's eligibility because we have enough technology and we're almost like Big Brother, we can keep up with what they're doing. And then asking them to report to us and really trust them to do what we want them to do.

And one last thing. I think that child support should remain a state option. In South Carolina, as I'm sure the rest of you do, we can make the option available to our clients, we can offer them free legal assistance in tracking down the daddies and helping them get money, because the child support system so far has been burdened down. And the eligibility over in Family Independence makes a little bit of sense but I would like to see that remain a state option.

MS. WATKINS: You did good.

MR. STRICKLAND: Thank you.

MS. WATKINS: Thank you very much.

You have an opportunity to submit other comments in writing. And I would hope all of you would look at some other kinds of things that you'd like to see us do. And please take advantage of sending those comments to us.

I believe we have a caller on the line. Caller, are you there? This is Shirley Watkins.

CALLER: Hi. This is Peggy Pollard. I'm calling from Rockcastle County, Kentucky. We received here at the office where I work a couple of notices. And I

would have loved to have come to Atlanta but we're just too busy.

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My comments, first of all, I have a question. I don't understand, from the two notices we received, what kind of revisions you guys have in mind in the Food Stamp Program. Are you just throwing it open to see what people think or what is this about?

MS. WATKINS: We are throwing it open to see what people think.

CALLER: Okay. Let me say, both as a participant for a period of time and even I get a small amount now because my salary is so low. While I was unemployed, I received the full amount for my status, I quess, which was just a hundred twenty-seven something a month. But that was extremely necessary, during that period of time while I was unemployed. now work with a group here in Rockcastle County, which is a very poor county in Kentucky, and the contact, our clients, the people we work with, are many of them receiving Food Stamps and they truly do depend on that amount, even though some of it seems to be a very I would hate to think that small amount for them. USDA is in any way thinking about getting rid of the program.

It's working better, from what I can see, now that you're using the Electronic Debit Card. The Food Stamps themselves were too easy to get hold of by the wrong people. But it's much tighter, I think, with the electronic card.

And just let me say, as someone that has received Food Stamps and who works with people now who receive Food Stamps, it's a necessary benefit. I guess that's about all.

MS. WATKINS: Well, caller, we appreciate you calling. And let me just say to you, we are looking at what the federal government at USDA can propose in the way of enhancing the Food Stamp Program during the reauthorization process in 2002. Because the program is a large program and it is the centerpiece of our Nutrition Assistance Programs in this country, we want to make sure that we're giving people around the country an opportunity to tell us what they think needs to be done to enhance the program. And that's what you're participating in today. We take all of the comments very seriously.

We did this with Child Nutrition reauthorization in 1998, and it was the first time in 20 years that an administration had sent a proposal to Congress for

reauthorization.

CALLER: Okay.

MS. WATKINS: We have not sent a proposal for reauthorization for the Food Stamp Program in how many years?

UNIDENTIFIED FEMALE SPEAKER: It's been more
recent than that.

MS. WATKINS: More recent than that. She doesn't know how recent.

CALLER: Okay. Well, that's good news. The office where I work effecting the total employees, the coordinator, the boss and everything, we work with USDA in a couple of our programs. We run the farmer's market and we have participated in the WIC coupon program and, if we could get -- I understand that there are some farmer's markets who are working with or using the Food Stamps. They're set up with mobile phones or whatever. We're not ready to do that yet, but we think that that's a good area to expand into because that allows, well, it helps the farmers and it also helps the Food Stamp recipient to be able to get real food from real people with their Stamps. So that's all I have to say. Thank you very much.

MS. WATKINS: We appreciate your calling and

have a wonderful day.

CALLER: Thank you.

MS. WATKINS: Bye-bye. Is there another caller?

No, all right. And we go back to Betsy Pitcock.

MS. BETSY PITCOCK: Thank you. I'm Betsy
Pitcock. I'm with the University of Tennessee. And I
bring greetings from the Food and Nutrition Outreach
Educational Programs that we're doing in Tennessee.
We call it TENSOEP.

We are very pleased to be a part of the nutrition education where we're reaching both children and adults of Food Stamp families. And as I was looking at our report that's getting ready to go in, we have reached in contacts over 5 million in Tennessee. That's more than our population. But that just means that we're working with Food Stamp families multiple times, as a part of this program. We have found that if we work with families more than one time, we do make an impact, better than we do if we only see them one time.

This is a partnership with the Department of
Human Services, with the University of Tennessee
Extension Service, and also with Tennessee State
University. We like the five indicators. We like to

look, as we're planning programs, as we're doing now, the food security issue, the nutrition quality, food resource management, food safety, and also the systems changes that can go on in the environment as a result of the educational programs with Food Stamp families.

We are in 90 counties in the state of Tennessee now. In this coming year we have 95 counties in Tennessee. Of those, there are 90 community-based coalitions that are at the grassroots that are using the Food Stamp education dollars that are provided through USDA to reach families in a variety of ways. And those are so designed by the county coalitions. No one in Knoxville, no one in Nashville is telling the county people how to use the Food Stamp education dollars in Tennessee.

We have established coalitions with partnerships, which include a lot of the agencies in individual communities which vary from place to place. We're very excited. I have this saying that I have an opportunity in east Tennessee, of which I do 24 counties, of watching people dream dreams about helping Food Stamp families and about helping children and seniors, and watching those dreams become reality, because we do needs assessment within this group. And

we see things happen, as a result of the actions of the people who really care.

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And a lot of DHS offices in most counties sit on these coalitions, health departments, agencies all involved in this.

We do have a concern and that is that we have dieticians, we have nurses and other professionals that sit on the coalitions that I've talked about. And they are private partners and they choose to give their services to the outreach mission of reaching families. And yet the way that it's established, at this point, that is not a match, as far as in-kind dollars, because this is an in-kind match with us. We have professionals in nutrition that are giving time to the program to teach seniors, to teach children why it's important to eat breakfast. But yet their time is not a match toward our program. And that we end up counting them as bonus match, is what we've attached it to but, you know, there could be some help there in reaching families if we could count those people who are actually serving on these grassroots coalitions as being in-kind match toward this project. They are professionals.

And the way we're established right now, I

believe it's -- I know it's state, county, and city employees that can serve as our match. So, if we're looking at other match partners at the grassroots, professionals may be an opportunity for us that we would like to at least explore.

We also are encouraged, and we see this as an audience, that we could use opportunities with Head Start families, with Housing Communities, with WIC participants. We're doing grocery store tours. We're doing things like this with WIC. We, however, cannot use our federal partners as match, in any way. And we are -- I explain it to coalitions that, you know, one part of this leg is that you bring audience and then the city, county, and state employees bring in-kind, so the two of these partner together and make one big organization for us.

However, when you have a coalition made up of WIC, HUD, you know, all of the private, Head Start, all of the federal programs, and you're looking to build in-kind, particularly for counties that are just starting up in the nutrition education, you lack there. So that's another concern that we have is, yes, we're partnering in our nutrition education, and we're doing a good job at it. You know, we're really

reaching all of those folks that's being an opportunity for audience. But if there was anything that could be addressed on that issue, that's a concern for us also. Thank you.

MS. WATKINS: Thank you. Vernelle Britton.

MS. VERNELLE BRITTON: Good afternoon. I'm

Vernelle Britton with the Healthcare and Finance

Administration, the Regional Office, here in Atlanta.

And I want to thank you for the invitation and for the opportunity to say a few words.

I really didn't have recommendation about the Food Stamp Program, but wanted to extend my appreciation to you, Secretary Watkins, for the cooperation, collaboration with your department, with many of our programs, particularly the Children's Health Insurance program. I just left Mississippi and the gentleman there from South Carolina, hi there. I saw you yesterday. He was talking about the applications. Well, in Mississippi, the Department of Human Services is doing just that. When they go in for the eligibility, they do everything. So we are working together.

Child support is an issue that we just discussed on yesterday. And that's something that we think

should be looked at, in terms of what the eligibility workers are asking for there.

And the third thing, I want to put in a plug for the Georgia Nutrition Council. We sent you an invitation to be our key note speaker on February 2001. So that's a plug for the Georgia Nutrition Council. Thank you very much.

MS. WATKINS: Thank you. I appreciate the invitation. I don't know where I'll be in February 2001. We'll wait and see what happens in the election of November of 2000, before I say where I'm going to be in February 2001.

Are there those of you who would like to offer some comments who have not had an opportunity?

MR. CONRAD: Right there on the front row.

MS. WATKINS: Yes, and then there's one person back here. Just give us your name. Could I take this phone call that's coming in? Would that be okay? Do we have a phone call?

MR. CONRAD: Yeah, we've got a phone call.

MS. WATKINS: Hello caller. This is Shirley Watkins.

CALLER: Hello, how are you?

MS. WATKINS: I'm wonderful. And yourself?

CALLER: I'm just fine.

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MS. WATKINS: Good. Tell us who you are and where you're from.

CALLER: My name is Bobbie Little and I'm from I was there earlier today and I didn't get a chance to speak because I had to come back to work. But I'm calling with some concerns about the Food Stamp Program. I was on the program up until May. Му caseworker turned my stamps off, or the machine or whoever did, because I was supposed to have the interview on the 31st of May for June, which I never got the paper. I still have not heard anything from the paper or anything. Anyway, I went in on the 1st of June and three weeks after I went in, I still had not heard from her. So I finally got her on the phone. And she told me she needed a verification of my wages. I faxed it to her that same day. She immediately told me that was all I need. Coming up to the 4^{th} of July, she told me I should have food stamps by the 1st, by Sunday. I didn't have them then so I finally got her back the following week. Anyway, to make a long story short, I never got them and they were cut off. She told me that if I needed to get food stamps, that I needed to go to Warren Street, which no one could

tell me where Warren Street was or give me a phone number. And she was not going to reactivate them.

The reason why I'm upset about this is because her attitude really stunk. And having to leave your job every three months to go back to the Food Stamp office and sit all day long losing time, it's really bad because you don't get a raise every three months. Your wages do not change every three months. You do good if they change every six months. Now I think something needs to be done about this program, as far as these letters being sent out and these every three months interviews. And that's my comment.

MS. WATKINS: All right. Thank you, caller.

CALLER: Thank you.

MS. WATKINS: Okay.

MS. IRVINA MANOR: I'm Irvina Manor. I'm a Food Stamp and TANF eligibility supervisor. And her call is perfect timing for what I want to say because I want to say the same thing from the workers' point of view. She just about said it all. We need at least a six-month certification for employed customers. Their wages do not change. We go on the cases. They miss appointments, they lose time from their jobs. And it's just been totally unrealistic to expect the

client to come in every three months. It's truly burdensome and unrealistic. If we must have a short three-months cert period, can we not reserve it for customers with no income, pre visitors qualification penalties and a history of fraud referrals.

I had written these comments and submitted them through some people to the \$6 Million Club so I can be very brief. I think you heard me cheer on the lady who said at least a minimum of \$50 a month for Food Stamp customers who are categorically eligible. I had written down 30. Certainly a dollar a day is little enough that this country can do to help its poor impoverished clients. Only one other person alluded to the need for some provision for benefits to children in special circumstances, such as child protection service placements, foster care placements, and legal guardianships, as the result of a judicial finding of abuse and neglect.

I had the experience on the job of seeing a young mother accept her nieces and nephews into her home expecting cash assistance for their needs, childcare so that she could continue to work, and Food Stamps so that she could feed her household, which had doubled from four to eight overnight. She was just

dollars over the income limit. And I was never able to approve Food Stamps for her. This was disheartening to me because, as a mother of three, basically raised as a single parent, who historically I bought food last, so we ate a lot of beans when I was raising my kids. I understood the burden that feeding children who she was not legally responsible for but out of the compassion of her heart wanted to.

The people from Florida alluded to grandparents having to raise children. There must be some way that we can exempt and disregard the income of these non responsible people to provide assistance for their families.

A very intellectual coworker of mine asked me to include a comment that we allow Internet access fees as allowable household expenses. Increase the utility standard to recognize this expense. This serves several purposes. First you encourage educational benefits and availability in homes with minor children to recognize the Internet potential to generate income and entrepreneur activities for needy families, and to provide a source for shopping and home delivery of eligible food purchased via the developing e-commerce

businesses.

It was just great being here knowing that many of us who work in this profession all across the United States are concerned about increasing the benefits to our sisters and brothers and fellow citizens.

MS. WATKINS: Thank you very much.

MS. PAM WHITE: When I came into the room today, I was going to be a spectator, and I didn't think I had anything to say. But now I'd like to break the mold. My name is Pam White. I'm the executive director of the Food Bank of Northeast Georgia. I'm not one of you guys. However, what I'd like to do is to thank the national Food Stamp Program. Because of all your barriers, I have job security. Every time someone has a car that's over \$4,000 or every time somebody can't get through on the phone line, I'm the one that can make sure there's food on their table that night. And I'm grateful to be your safety net.

What I do want to say, and I do have a point for being up here, is that I'm appalled and amazed that so much money is spent proving that low-income families should not be given food. Your first statement is that you're here to fight hunger and what you do is

pay people to find reasons people don't qualify for food. Thank you.

MS. WATKINS: Thank you. Pam White.

MS. WHITE: That was me.

MS. WATKINS: Oh, okay.

MS. ANN JOSEPH: My name is Ann Joseph, and I am with the Kentucky Task Force on Hunger.

MS. WATKINS: Pull the mic down to make sure that she can here you.

MS. JOSEPH: My name is Ann Joseph. I'm with the Kentucky Task Force on Hunger, and a participant in the Southeast Regional Anti Hunger Network, affectionately known as SERAHN. I just want to say that, along the way, my family has been a recipient of USDA's nutritional assistance programs and they were really important to the well being of my sons as they were growing up.

I also want to mention, before we identify problems and issues, that we really appreciate the success of the program over the past years. We've seen in Kentucky that, while there are many problems that continue in the low-income population, amongst our kids and our families, individuals, the elderly, hunger has been alleviated. And we just need to

continue to deal with the issues and the problems that we still have before us.

We know that we want to look at these problems in terms of the participants, the workers, the state agency, and, as we heard today, the retailers, as well, and to understand that the community at large benefits from the existence of the Food Stamp Program.

I want to ask you to support the Hunger Relief Act and the Food Stamp Outreach and Research for Kids Act.

Several of the items that I'm going to mention have been mentioned already. We'll have a more extended list of comments for you in writing. We encourage always that you consider increasing program access, ensuring that we're reaching all eligible families and individuals. And have a strong emphasis on outreach and advocacy that was mentioned earlier, in supporting the work of non governmental agencies partnering with you, and contracting with you, and receiving funds to do the outreach work and the enrollment work, as well.

We encourage you to remove asset barriers, and you've heard about the vehicle issue. As far as we're

concerned, we would want you to consider exempting the value of one vehicle, as opposed to raising the value of the vehicle.

We want to look at the elimination of nonproductive financial screening items. You've said in your literature that the average Food Stamp household has about \$118 dollars in countable resources. Yet what goes on in the office with the worker and the client is papers have to go back and forth. I mean, does this really work? Is there a bang for the buck that's here? We've been doing some work in another program, Medicaid program, and we've had the secretary of our cabinet for families and children say that it costs about \$10 to identify one dollar of resources.

And in the last year, we actually had 12 cases, in all the cases that had been gone through, that really, where problems could be identified because of all the resource checking. So this is something we really need to look at and you all need to look at.

While promoting program simplification, we believe the program should maintain uniform standards and uniform benefit levels. And we think this is really critical. We don't want to see the block

granting kind of experience in the Food Stamp Program.

This is a program available to all folks and should maintain that integrity. We need to promote the Food Stamp Program, believe in it and market it.

Work with states to redesign their computer systems where problems have been identified. Redesign applications and notices to ensure simplicity, readability, and attractiveness. Offer online applications. Utilize outstation workers to take applications. Allow for mail-in applications and recertification forms with addressed, return postage guaranteed envelopes enclosed with each item.

Now these recommendations come out of the work that we've been doing on our Children's Health Insurance program and we've seen these efforts be productive.

We would like to see a drop-off process at local offices available seven days a week, 24 hours a day.

Look at issues of points and hours. Consider a transitional Food Stamp benefit as we have now in transitional medical assistance to working families.

Address the needs of the non English speaking populations, as was referred to earlier regarding the Hispanic populations. There are other populations we

need to consider as well.

Our goal should not be simply moving people off the program but rather assuring that we see the Food Stamp Program as part of a making work pay initiative. As more people move into jobs, often low-wage jobs, certainly in our states in the southeast, we need to ensure that these families have the supports available so that, as they work, they can adequately support, the worker can support themselves and their family. Through a combination of programs, we should see that families are able to move up and out of poverty and the Food Stamp Program needs to be a part of that effort.

I mentioned this earlier and I will say this again, that we really should look at the work some of our states have been doing on the implementation of the Children's Health Insurance program. There is a model there for outreach as well as application and enrollment simplification.

Thanks for the opportunity. Thanks for the invitation. And we look forward to continuing our conversation.

MS. WATKINS: Good. Thank you. Are there other comments? Yes.

1 MS. CONNIE REINHARDT: Madam Under Secretary, my 2 name is Connie Reinhardt. I'm from the state of Florida. 3 4 MS. WATKINS: Could you hold on just a moment? We have a caller on the line. 5 6 MS. REINHARDT: Sure. 7 MS. WATKINS: Hello caller. This is Shirley 8 Watkins. 9 Hi. My name is Nan Shazony. I'm a CALLER: 10 staff attorney with Georgia Legal Services Program in 11 Tifton. Can you all hear me? MS. WATKINS: Yes, we can. Thanks so much for 12 13 calling in. Sure, sure. I meant to call earlier 14 CALLER: 15 but the day kind of got ahead of me. Should I just 16 start speaking? 17 MS. WATKINS: Sure. Just go right ahead with 18 your comments. CALLER: Well, I was interested in making some 19 20 comments about migrant seasonal farm workers. I work for Georgia Legal Services Program, as I said, out of 21 22 the Tifton office. And we represent migrant seasonal 23 farm workers, throughout the state of Georgia,

primarily with employment-related issues.

24

I have spoken with a number of community groups and have come up with some following problem areas or issues with the way the Food Stamp Program is currently being implemented in the state of Georgia. And have come up, like I said, with just three sort of broad issues that any new legislation or regulations or program directives could maybe address.

You may know, we have over 80,000 to 100,000 migrant seasonal farm workers working in Georgia crops each year. Most are monolingual Spanish speakers.

Many are legal permanent residents or U.S. citizens and many have children who are legal permanent residents and U.S. citizens. Put simply, farm workers who qualify for Food Stamps often have problems getting them.

The first main problem is that local offices aren't providing interpreters. If there is no bilingual staff on hand to go through the application process with the farm worker, that's an obvious problem because both the applicant and the caseworker need to understand the answers to the application. And the farm workers need to understand what the guidelines are and what the eligibility guidelines are. Farm workers have been denied, even though they

are eligible just because of inadequate communication.

And without interpreters, you have people guessing.

Like I said, you know, upon review, we've been finding that people are wrongly denied, just because of miscommunications. This problem can be addressed by simply hiring competent bilingual staff.

The second main issue area that we've come up with is the problem of accessibility. The office hours out here are usually just from 8:00 to 5:00 and farm workers work during the day. So it's often hard for them to miss work in order to get to their appointment.

And I suppose that it merits stating that even though farm workers are working, their wages are so low and their family size might be so big that they still qualify for food stamps, even though they're employed. That seems obvious but I just wanted to get that out there.

So even extending office hours one day a week to maybe 7:00 p.m. or maybe 8:00 would be a great help for workers who, you know, don't want to miss work but who are still eligible for Food Stamps and who wish to apply.

Another part of the accessibility problem is a

lack of transportation to the local offices to make their appointments. Well, I guess I could say, most farm workers live outside of urban centers. the rural areas, they live outside of the towns where most of the offices are located. And many farm workers don't have their own transportation. might share transportation with another family. if a family does have a car, they only have one car per family and most of the time someone needs to use the car to get to work. So often it's hard to coordinate transportation to get to their appointments. And this problem could be remedied by hiring maybe outreach workers that would be able to see farm workers where they live or, at the very least, more closer to where they live, and could maybe do applications on site.

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That might not necessarily have to be something that happens all the time but just like maybe extending office hours one day a week. Maybe in the heavy harvest months in certain regions of Georgia they could have an outreach worker working at that time.

The third main problem area or issue area that I wanted to bring up was one of cultural sensitivity to

immigration issues. Many local offices are asking for immigration documents or Social Security numbers when they don't need to be. For example, when an undocumented parent is applying for a qualifying eligible child. And the parent is absolutely discouraged from doing so because they're fearful that they'll be deported. And they have this impression because one of maybe community rumors but another, there are maybe staff at local offices that are actually asking those parents for their Social Security numbers or for their immigration documents when they really shouldn't be because what's really important is that the child is eligible, if they're applying for their child.

This is obviously a big problem because there are eligible farm worker children going hungry when they don't need to be going hungry because they are eligible.

And so this problem could perhaps be remedied just by simply educating the local offices more on this issue and making them aware that they do not need to ask the parents for immigration documents or their Social Security numbers when the parent isn't the one that's going to be obtaining the benefit, that it's

really the child that's seeking the benefits and the parents just applying on their behalf.

I guess, as a side note, I've heard that some local offices are actually reviewing immigration documents for legal permanent residents and U.S. citizens who have real valid documents. And they're saying that they're not real. So they're, in effect, you know, calling the applicants liars when, you know, it's not their role to be scrutinizing the documents. That's the role of the INS, not the role of the local Food Stamp office.

So I guess that's it. I don't know if anyone had any questions about the problem areas that I've raised. You've been there for a couple of hours already today. Maybe people have already been raising these issues.

MS. WATKINS: Well, we certainly thank you, caller, for your comments. Thank you very much.

CALLER: Okay.

MS. WATKINS: Bye-bye.

CALLER: Bye.

MS. WATKINS: Now, yes, ma'am.

MS. CONNIE REINHARDT: As I indicated, my name is Connie Reinhardt. I'm from the state of Florida,

the Department of Children and Families. I have, in the past 27 years, worked in a variety of different lives, all of which touched the Food Stamp Program in some way.

At present, in my present life, I am the director of Electronic Benefits and Electronic Funds Transfer for our state. I have worked with this program since its infancy. I worked with EBT and was a liaison for our state when the standalone projects and the demonstrations began. I worked with the national prototype, helped put the building blocks together. And without all of the stakeholders being at the table, we would not have been a success.

EBT is a success in the state of Florida. I am a proponent. I speak it everywhere I go. It has been good for our clientele. Our clientele have supported us. Our Legal Services offices worked with us to create the policies, to create the procedures and the work that we do in the state of Florida. Our retailers, our third-party processors, our networks, such as HONOR, STAR, all participate in the program within the state of Florida.

I say this because I know that many other states do very much the same as we do. I also know that

programs were developed differently, at different times, and at different places. And we are all at different places, at this time, trying to go forward together.

From a couple of perspectives, I want to commend the USDA in our work on EBT. You have been the staunch federal partner that we have always been able to count on. You have stood by us, behind us, and in front of us at various times, both nationally and at the southeast regional office. We have a wonderful relationship with you and your staff. We have worked with the inter-operatebility legislation, which I certainly commend you for supporting, and would encourage us to continue down that road so that a benefit that was paper before and could be used anywhere, just like cash, can still be done just like your or my debit card that we can use at any terminal across the nation.

I can tell you this because I see reports every month that tell me my cards are used in all 50 states. They may not be certified or have a certification period that is continuing in Florida but they may have a balance on that card and, therefore, their cash and

their Food Stamps continue to be able to be available to them.

We support eight programs in our system in the state of Florida. All of them cash but one. The Food Stamp Program is probably one of the most important thing to the clients in our state.

Multi cultural diversity, yeah, we got it.

Forty single language minorities in Dade County. We have English as a second language there.

We look forward to the comments that this lady just made of opening up these systems to further enhancements. We want Priceline.com available to our people. We talk about stigma but then we don't think that we have it. But just because you're poor, doesn't mean that you don't have access to other things. At state libraries, the Internet, things of this nature are becoming more and more common to everybody, as we go forward.

And we certainly would support -- We know that the retailers do support avenues of this nature and we would support developing the PKI that is necessary for us to be able to do this.

In improving EBT, yes, I know that you have heard that there have been problems recently with the

new gateway. We have an old gateway and a new gateway. But I do remember that several years ago we had problems with the old gateway too that we had to resolve. Any change in a system that I have ever worked with, both eligibility, my own computer system at home, or any other system may have problems that have to be improved upon.

And that is not to make light of it. We are very concerned. I was very disturbed over any interruption, be it one client with one card or be it a merchant who cannot do business, be it a third. I have worked with them long enough to where I know most of them to date. Most of the people in this room that are working with EBT I have been familiar with.

We will improve this situation as well. We will not have it continue. I guarantee you that, because we do control the contracts, and we will see that this situation will improve. And, Scott Johnson, I hope you will take that to heart.

We, as well, would like to recommend some changes to Food Stamp policy, in this area. Your adjustment rules that just came out takes us a far place from where we have been and we love it for the place that it now takes up but we need to go to the

next step. We need to look at what is done in EBT because we say that now we are piggybacking on the commercial network, but we truly do not.

One of the things that has been so complex about EBT for Food Stamps versus cash is that the complexities and the differences within the programs have made it so. We have an entirely different ISO than anything commercial that exists just because we have nuances that don't operate commercially.

So what I would ask is that we do sit down.

I've had conversations with Tim O'Connor, who I dearly love, over this issue as well. Sit down and take our eligibility, our issuance, our benefit recovery, our quality control, let's look at them all across the board and let's look at what the impact on the electronic environment and the information age changes have done to many of these policies and programs, particularly in EBT, and let's move forward. And we would be happy, as always, to work with you.

One of the most important things that I think is that cost neutrality in EBT, from a federal perspective, I think is no longer applicable. We measured cost neutrality on what we used to do in the paper system. In the state of Florida, before we had

EBT, 98 percent of all that we issued went over the counter. We had huge issuance offices. You talk about miles of clientele. I've seen them in a bad time with a computer system two to three miles long in Miami.

You have the opportunity, I think, with EBT, to improve it again and to continue this improvement, if we can change the way that we look at the funding structure, if we can change the way and provide some alternatives and flexibilities in how we procure and contract for these services and what things might be included or might not be included in sharing best practices.

But I would definitely, as far as the regulations are concerned, I think cost neutrality has been something that was very valuable to us as a place to begin but because states tended to run very efficient paper systems, because they wanted low overhead, they had to manage those paper processes.

USDA paid for all shipping and delivery and printing and things of that nature. That, we are now being judged on EBT, on what we used to pay in paper. If we have the ability, now that we have rules we never had in the paper side of the house, to take some of these

under consideration, not have them counted against us, then we could take those improvements and make them cost beneficial. And that is what I would hope that we would target for the future.

Thank you very much. It's been a long day.

MS. WATKINS: Thank you. Are there other people who would like to offer comments?

MR. CONRAD: Scott's got to say one more thing.

MR. SCOTT JOHNSON: I'd like to come back and I just want to go on the record on a really targeted issue. But I just wanted to have it spoken here at our conversation. This is Scott Johnson from the Food Marketing Institute.

I want to express concern about a specific area of the Food Stamp Program. That's the one in Puerto Rico. As you know, Puerto Rico has a large portion of its population that are Food Stamp recipients. Their version of the Food Stamp Program or, I should say the program funded by the USDA FNS and the Food Stamp funds is called PUN or, as we would say it, Nutrition Assistance Program. Several years ago, PUN became a cash-out program, meaning all benefits were delivered by check and can be spent in any manor without restriction. Not the intent, we believe, of the USDA

Food Stamp Program. In brief, the program funded by USDA FNS Food Stamp budget in Puerto Rico is a welfare program and not a nutrition program.

Grocers had hoped that with the advent of EBT that the program might be refocused to become once again a nutrition-oriented program. It doesn't appear that this will be the case. The Puerto Rican government seems to be intent on keeping the new EBT-based program the same as before.

We would urge the USDA to persuade those in charge of the program in Puerto Rico to restore integrity to the program by returning it to be a program similar to that that's in the 50 states and helping assure that families in Puerto Rico get the nutritional assistance that they need and deserve. Thanks.

MS. WATKINS: Thank you. Is there anyone else who'd like to add to the conversation?

Let me just tell you how much I appreciate you being here today. You've been just wonderful to sit here and listen to all of the discussion. If you're like myself, you've learned a lot. It's been an interesting opportunity.

And I want to thank the staff. We have a large

staff behind these curtains back here who have been manning the telephones, as well as the staff that helped to make arrangements to prepare to make certain that this day was successful.

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I know that we're going to be here and I would suspect that you might want to leave but somebody else We told them we'd be here till 7:00 so may come in. we'll be here till 7:00. And if you want to leave, you feel free to leave whenever you need to or visit with other people who are here and share some interesting comments. We would hope that you would continue to think about ways we can improve, ways we can make things better. We've heard a lot of good positive comments today. That's what we had hoped. We've heard some wonderful ideas, some things that we can grasp. Some of the things we even might be able to do before reauthorization. We appreciate so much that you've been so generous with your time and sharing with us. And I would say, if you want to leave, feel free to do so. Thank you very much. I'll still be here.

MS. WATKINS: Hello, caller. This is Shirley Watkins at the USDA Food Stamp Program Conversation.

CALLER: Hello.

1	MS. WATKINS: How are you?
2	CALLER: Fine. I'm a social worker and I'd like
3	to make some comments.
4	MS. WATKINS: Sure. You want to state your
5	name.
6	CALLER: Glenda Dalbere.
7	MS. WATKINS: Do you want to tell us where
8	you're from?
9	CALLER: I'm in Clarke County, Alabama.
10	MS. WATKINS: Clarke County, Alabama, go right
11	ahead.
12	CALLER: Okay. I'd like to suggest we raise the
13	amount subtracted from the value of vehicles to
14	\$10,000 or exempt one vehicle per licensed driver.
15	I'd also like to make a suggestion about the
16	elderly disabled medical. I think we should just give
17	one standard deduction for each elderly or disabled
18	person or allow the elderly or disabled get a minimum
19	allotment of \$50 or up to the maximum for one person.
20	MS. WATKINS: Okay. Do you have other comments?
21	CALLER: That's the only ones I can think of
22	now. I'm sure I could
23	MS. WATKINS: Well, very good. Thank you so
24	much for calling in and you have a great day.

1	CALLER: You too. Bye.
2	MS. WATKINS: Bye-bye. Okay.
3	(Whereupon, Ms. Watkins retires from the
4	meeting.)
5	MR. CONRAD: Hello, caller. This is Virgil
6	Conrad, your regional administrator.
7	CALLER: Oh, yes. Well, thank you for answering
8	my call. Is this to make calls in reference to
9	This is for the Food Stamps?
10	MR. CONRAD: Yes, it is. I'm receiving the
11	calls at this hour for Ms. Watkins who had to go to
12	another meeting.
13	CALLER: Okay.
14	MR. CONRAD: So you go right ahead and we're
15	going to record your comments.
16	CALLER: Okay. My comment is one regarding
17	resources.
18	MR. CONRAD: Wait a minute, ma'am. Would you
19	identify yourself, please, and where you're from.
20	CALLER: I'm calling from the state of Alabama
21	Department of Human Resources.
22	MR. CONRAD: Okay.
23	CALLER: One of the comments I would like to see
24	a change in is the resources for vehicles. Vehicles

are more expensive. People cannot eat vehicles or whatever and too many people are eliminated because of that. I've been with Food Stamps for almost 20 years and it has moved up. It started out, I think, at 4,500 and now it's 4,650, \$150. But vehicles cost as much as houses used to cost. So I think that should be -- Is this the type of comments you're looking for?

MR. CONRAD: Exactly. You go right ahead. Any ideas that you have to improve the program.

CALLER: Okay. That would, you know, I think that would be.

And let's see, there's another policy on people who are disabled, disabled but under 60 years of age to purchase and prepare their food separately. I see no difference in a person who is disabled and under 60 and one who is disabled and over 60. But the person who is disabled and under 60 and if they live with a household member, cannot be separate from that household member unless someone outside the household comes in and purchases and prepares -- Unless they're able to purchase and prepare their food themselves or someone from outside the household comes and purchases and prepares their food for them. And I don't see any difference and I think it's a ridiculous rule.

1	MR. CONRAD: Okay. Any other ideas or comments?
2	CALLER: I beg your pardon?
3	MR. CONRAD: Do you have any other ideas or
4	comments?
5	CALLER: I can't think of anything right now but
6	by the time I get home I could probably give you some
7	more and call you again.
8	MR. CONRAD: Well, if you do, you can send in
9	written comments. You can send them in on our Web
10	page.
11	CALLER: Okay. Is it listed on this sheet? I
12	don't see your Web page.
13	MR. CONRAD: Well, it's on that sheet where you
14	can send your written comments.
15	CALLER: Okay then. Well, I'll look for the Web
16	page. I can put it on the computer then.
17	MR. CONRAD: Okay, good deal.
18	CALLER: Thank you.
19	MR. CONRAD: Uh-huh, bye-bye.
20	Hello, caller. This is Virgil Conrad.
21	CALLER: Hi, Virgil Conrad. This is Thelma
22	Sanders Hunter in Tennessee State University in
23	Nashville.
24	MR. CONRAD: Thelma, would you go ahead and

provide your comments. We're going to record them.

Ms. Watkins had another appointment this evening and she had to leave a few minutes ago so I'm hosting your call.

CALLER: Okay. Thank you. I just wanted to say how pleased I am to be part of the program for the Food and Nutrition Service. I am conducting the program from Tennessee State University, working collaboratively with the University of Tennessee.

MR. CONRAD: Yes, I know you well, but go ahead and tell me what you want to -- what comments you have.

CALLER: The comments I have is I want to talk about the effectiveness of what I have been doing here in my program in working with nontraditional audiences.

MR. CONRAD: Okay.

CALLER: And I have begun working with trainers from our county sheriff department here to work with inmates. We're doing a pilot program with the nutrition education and consumer education program.

And so far it's one that the sheriff's department seems to be willing to buy into.

So we're piloting, at this point, but we can say

1	that, based on the pretest that we have given to the
2	inmates and the amount of participation that they have
3	rendered to us, we feel that this training will
4	benefit those who are, as I said, part of the
5	nontraditional audiences.
6	MR. CONRAD: Excellent. Do you have any other
7	comments or suggestions for improving the program?
8	CALLER: I wouldn't say anything for improvement
9	but for us to be able to continue to network with
10	other agencies and organizations as we have been
11	doing. And I think that that, in itself, is a seller.
12	MR. CONRAD: Okay, very good. Thank you.
13	CALLER: Okay, thank you. Bye.
14	MR. CONRAD: Bye-bye.
15	(Whereupon, the meeting was concluded at 7:00
16	p.m.)